

AUDIT COMMITTEE 25TH SEPTEMBER 2024

Malcolm Edis, Head of Corporate Procurement, submitted a report, supported by a presentation, on the Revised Contract Procedure Rules (CPR's) 2024.

Amended CPR's were required to take account of the new Procurement legislation and coming into force on 24th February 2025. The legislation comprised the Procurement Act 2023 together with a set of Regulations. These replaced the current Public Contracts Regulations formulated under EU law, which had been in force since 2015 with only minor amendment to date despite the Brexit decision in 2016 and which would now be repealed.

Substantive changes related to Price and Quality Criteria, with the new Procurement Act test of MAT – Most Advantageous Tender – a mix of price, quality and social value, and price only procurement could not be permitted under any circumstances, and direct awards and variation of contracts only permissible in certain narrowly defined cases.

There had also been the opportunity to introduce a number of improvements to the CPR's to simplify them and provide greater clarity for Council staff.

Members discussed the report and presentation and the following key points were raised and clarified:

- Thresholds for Competition – competition not required for under £10k – this was not a high figure compared to comparator authorities, some of who had set a figure of under £25k. The single tender system still operated via the Chest, and use of Frameworks was favoured.
- Challenges from unsuccessful bidders – this was not an issue as there was a process in place to communicate with all bidders and to explain the process and rationale for contract awards.
- Choosing the Right Procurement Procedure – reduction from 8 to 2, Open Procedure and Competitive Flexible Procedure, but still gave scope to use a variety of models.
- Specification – this was very important, in terms of quality of materials used, and Departments needed to get the specification right.
- Direct Awards should not be used and Departments needed to effectively plan procurement.
- Social Value and Sub- Contractors – Collateral warranties were in place to help manage Social Value where sub-contractors were used, and contractors were asked to confirm what they would do to ensure social value was delivered in the Borough.

It was agreed:

That the Committee recommends to Full Council, at its meeting on 13th November 2024, approval of the revised Contract Procedure Rules 2024.