

CONTRACT PROCEDURE RULES

To: Council

Meeting Date: 13th October 2015

From: LGSS Director Law, Property and Governance and
Monitoring Officer

Purpose: To recommend a variation of the Contract Procedure
Rules to ensure compliance with the requirements of the
Public Contracts Regulations 2015.

Recommendation: That the Council:

1. Approves the amendments to the Contract Procedure Rules, as set out in Appendix A, in order to reflect the requirements of the Public Contracts Regulations 2015.
2. Authorises the Monitoring Officer, in consultation with the Chairwoman of the Constitution and Ethics Committee, to make any other minor or consequential amendments to the Constitution necessary for, or incidental to, the implementation of these proposals.

<i>Officer contact:</i>		<i>Member contact</i>	
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1. BACKGROUND

- 1.1 Recent changes to the Public Contracts Regulations Act 2015 have resulted in the introduction of laws that affect the Council's Contract Procedure Rules. With effect from September 2015, Public Sector bodies are required to advertise all procurement opportunities where the anticipated total value is above £25,000 and to publish contract award notices above this level once the procurement exercise has concluded.
- 1.2 The Council's Contract Procedure Rules already require Officers to advertise contract opportunities at a lower level of £10,000, however there is no such requirement to publish contract award notices within the current Contract Procedure Rules.
- 1.3 The County Council currently requires Officers to advertise contracts above £10,000 on www.sourcecambridgeshire.co.uk in order to support the local economy. However, the new regulations require the Council to advertise on a national portal called Contracts Finder.

2. PROPOSED WAY FORWARD

- 2.1 At its meeting held on 15th September 2015, the Constitution and Ethics Committee considered proposed amendments to the Contract Procedure Rules to reflect the requirements of the Public Contracts Regulations 2015.
- 2.2 The Committee noted the proposal to amend the current requirement to advertise contracts above £10,000 and increase the threshold for contracts to be advertised and for award notices to be published to contracts £25,000. This would lessen the burden on staff and harmonise compliance with the new regulations. To offset the impact of increasing the threshold it was proposed that seeking 3 quotes up to £25,000 should demand 2 quotes to be local rather than the current minimum of 1 quote local.
- 2.3 The Constitution and Ethics Committee was, however, supportive of retaining the current requirement to advertise contracts at £10,000 or more in the interests of supporting local small and medium size enterprises (SMEs). In addition the Committee also supported the proposal to increase the number of local quotes required from one to two, for contracts of the value of £10,000 - £25,000. It was felt that all contracts above £10,000 should be published on the national portal, Contracts Finder rather than support both Contracts Finder and Source Cambridgeshire. This was, subject to appropriate signposting from the local portal (www.sourcecambridgeshire.co.uk). Whilst these proposals exceeded the requirements of the regulations, the Constitution and Ethics Committee felt that it was appropriate to retain current thresholds in order to maximise access to tendering opportunities for local businesses. It was noted that the workforce within the Council was reducing against the backdrop of increasing demands to deliver services.
- 2.4 The Constitution and Ethics Committee supported a proposal to reduce the other thresholds in the Contract Procedure Rules such as the exemption threshold from £30,000 to £25,000.
- 2.5 The Contract Procedure Rules, amended to reflect the variations proposed by the Constitution and Ethics Committee, are attached at Appendix A.

Source Documents	Location
The Public Contracts Regulations 2015	http://www.legislation.gov.uk/ukxi/2015/102/contents/made