

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO CABINET

19 JUNE 2018

REPORT OF THE CORPORATE DIRECTOR OPERATIONAL AND PARTNERSHIP SERVICES

REVISED CONTRACT PROCEDURE RULES

1. Purpose of Report .

1.1 The purpose of this report is to seek approval from Cabinet:

- for the revised Contract Procedure Rules to take effect from 1st August 2018; and
- for the Scheme of Delegation in relation to Executive Functions to be amended in accordance with paragraph 4.8 of this Report;
- to note that a report will be taken to Council to amend the Constitution to incorporate the amendments to the CPRs.

2. Connection to Corporate Improvement Objectives/Other Corporate Priorities

2.1 This report assists in the achievement of the following corporate priority:-

Smarter use of resources – ensuring that all its resources (financial, physical, human and technological) are used as effectively and efficiently as possible and support the development of resources throughout the community that can help deliver the Council's priorities. Deliver services more efficiently. Focus on collaboration and partnership in the delivery of services and maintain strong and sustainable financial performance. Contract Procedure Rules are the internal regulations which govern how contracts for goods, services and works are let. They offer standard procedures which aim to safeguard the Council in terms of risk and compliance with UK and European legislation.

3. Background.

3.1 The Council is in the process of a corporate procurement review. As part of the review, the Contract Procedure Rules, which form part of the Council Constitution, have been reviewed and updated.

3.2 The Contract Procedure Rules contain the rules and guidelines for procuring goods, services and works. They are designed to ensure compliance with UK and European law, ensure best practice is followed and best value is achieved in the use of public funds.

3.3 Due to the implementation of the Public Contract Regulations 2015, our Contract Procedure Rules need to be updated to ensure they are fit for purpose and are compliant with the new Legislation.

3.4 During the review of the Contract Procedure Rules key officers involved in the procurement of goods, services and works have been consulted.

4. Current situation / proposal.

4.1 A number of changes have been made to the existing Contract Procedure Rules to ensure compliance with the provisions of the Public Contracts Regulations 2015 and to modernise the way we procure goods, services and works. A copy of the revised Contract Procedure Rules is attached to this report at Appendix 5.

The key changes are highlighted in 4.2 to 4.21 below:

4.2 Updated titles of Officers and Chief Officers throughout.

4.3 Exemptions and waivers not exceeding £100,000 require a Delegated Power. Exemptions and waivers above this threshold require a Cabinet report.

4.4 Additional section on modification of contracts is now included, in line with the Public Contracts Regulation 2015.

4.5 Selective tendering updated to include the use of Constructionline for buying 'Works'.

4.6 Updated mandatory clauses to be included in all contracts such as Welsh Language, Employment Legislation, Anti-Slavery and Human Trafficking Laws and Equality and Diversity.

4.7 Thresholds for goods and services updated and increased to allow for greater flexibility and reduced timescales for tendering.

4.8 The following amendments will be required to the Council's Scheme of Delegation in relation to Executive Functions as set out below:

Scheme A

1.2	<p>In respect of any contract having an estimated value exceeding £1,000,000 but not exceeding £5,000,000:</p> <p>(a) To authorise the invitation of tenders;</p> <p>(b) To accept the most economically advantageous tender received and enter into a Contract (form of tender), or the highest tender received where payment is to be received by the Council and enter into a Contract.</p> <p>(c) To authorise invitation of tenders, to accept a tender or enter into a Contract in accordance with any exemption under the Council's Contract Procedure Rules.</p> <p>(d) To authorise invitation of tenders, to accept a tender or enter into a Contract in accordance with any permitted waiver under the Council's</p>
-----	---

	Contract Procedure Rules.
--	---------------------------

Scheme B2

1.3	<p>In respect of any contract having an estimated value not exceeding £1,000,000:</p> <p>(a) To authorise the invitation of tenders;</p> <p>(b) To accept the most economically advantageous tender received and enter into a Contract, or the highest tender received where payment is to be received by the Council and enter into a Contract.</p> <p>(c) To authorise invitation of tenders, to accept a tender or enter into a Contract in accordance with any exemption under the Council's Contract Procedure Rules.</p> <p>(d) To authorise invitation of tenders, to accept a tender or enter into a Contract in accordance with any permitted waiver under the Council's Contract Procedure Rules.</p>
-----	---

- 4.9 Thresholds for 'works' increased to allow for greater flexibility and reduced timescales.
- 4.10 Pre-Tender market research now included, in line with the Public Contracts Regulation 2015.
- 4.11 Additional procurement procedures included, in line with the Public Contracts Regulation 2015.
- 4.12 Electronic tendering now supersedes paper tendering
- 4.13 Thresholds for opening tenders with cabinet and committee in line with new financial thresholds.
- 4.14 Threshold for opening tenders with the Mayor present has increased to £1 million.
- 4.15 The Form of Tender attached at Appendix 3 to this Report is to be used for all contracts not exceeding £500,000 and must be signed by the Appropriate Chief Officer of the Council and the successful bidder with both parties retaining a copy. The Form of Tender shall constitute the contract where the value does not exceed £500,000 except in the situations set out in the Contract Procedure Rules.
- 4.16 Sealing of contracts threshold increased to £500,000.
- 4.17 Record and document retention updated in line with the corporate retention periods.
- 4.18 Contract management rules are now included.

- 4.19 Corporate Contracts Register rules are now included.
- 4.20 The following documents are now attached as appendices to the Contract Procedure Rules :
- Summary of Advertising (attached at Appendix 1 to this report)
 - Pre-Tender Client Information Sheet (attached at Appendix 2 to this report).
 - Form of Tender (attached at Appendix 3 to this report)
 - Procurement Report Contents Checklist (attached at Appendix 4 to this report),
- 4.21 The use of electronic signatures in certain situations is now provided for in the Contract Procedure Rules.

5. Effect upon Policy Framework & Procedure Rules.

- 5.1 The revised Contract Procedure Rules are mandatory for all commissioning/procurement staff to comply with. The Contract Procedure Rules are a fundamental part of the Council's Constitution.

6. Equality Impact Assessment

- 6.1 There are no direct equality implications of this report.

7. Well-being of Future Generations (Wales) Act 2015 Implications

- 7.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives as a result of this report.

8. Financial Implications.

- 8.1 There are no financial implications regarding this report.

9. Recommendation.

- 9.1 It is recommended that Cabinet:

- (i) approve the revised Contract Procedure Rules attached as Appendix 5 to take effect from 1st August 2018 ;
- (ii) approve that the Scheme of Delegation in relation to Executive Functions be amended in accordance with paragraph 4.8 of this Report;
- (iii) Note that a report will be taken to Council to amend the Constitution to incorporate the amendments to the CPRs.

P A Jolley
Corporate Director Operational and Partnership Services
23 May 2018

Contact Officer: Rachel Jones
Corporate Procurement Manager

Telephone: (01656) 642596

Email: rachel.jones2@bridgend.gov.uk

Postal address: Corporate Procurement
Operational and Partnership Services
Civic Offices
Angel Street
Bridgend
CF31 4WB

Background documents:
None