

Slough Borough Council

Report To: Council

Date: 22nd November 2022

Subject: Revisions to the Constitution – Contract Procedure rules

Chief Officer: Director of Finance and Commercial (s151) – Steven Mair

Ward(s): All

PART I **FOR DECISION**

REVISIONS TO THE CONSTITUTION - CONTRACT PROCEDURE RULES

1. Summary and Recommendations

1.1. The purpose of this report is to seek the Council's approval to the revision of the Council's Constitution related to contract procedure rules.

Recommendations:

Council is recommended to:

1. Consider and approve the amendments to Part 4.6.1 Contract Procedure Rules as set out in Appendix A.
2. Agree that the amendments to the Constitution will come into effect on the day following the Council meeting.

Reason:

It is good practice to regularly review the contract procedure rules to ensure they align to the council structure and decision-making processes

Commissioner Review

Commissioners are content with the report.

2. Report

The revisions to the Council's contract procedure rules recommended in this report, ensure there is good governance in procurement processes for goods, services and works, and procurement activity achieves best value and is transparent, open and fair.

Background

2.1. The Council's current contract procedure rules are contained in the Financial Procedure Rules in Part 4.6.1 of the Constitution.

- 2.2. The contract procedure rules were comprehensively updated in November 2021 which has improved decision making at the appropriate levels and has achieved greater compliance by simplifying low value procurement requirements.
- 2.3. The revised contract procedure rules have been communicated to staff through training sessions and guidance published on the council's intranet.

Revision of the Contract Procedure rules

- 2.4. It is good practice to regularly review the contract procedure rules to ensure they align to the council structure and decision-making processes. The contract procedure rules have been updated and improved to:
 - include the role of the strategic procurement board in decision making,
 - provide additional guidance relating to grant funded goods, services or works
 - set out the Council's commitment to supply chain management regarding modern slavery.
- 2.5. Once agreed, the revised contract procedure rules will be communicated to staff through briefings and guidance on the council's intranet.
- 2.6. The draft proposals were considered by the member panel on the constitution on 2nd November, who welcomed and supported the proposed changes.
- 2.7. The proposed set of revised rules have been prepared and are appended to this report.

3. Implications of the Recommendation

3.1. Financial implications

- 3.1.1. There are no direct financial implications arising from this report, however, good governance procedures will ensure that any procurement process for services, works or goods, achieves best value and is transparent, open and fair, making it possible for decisions to be audited satisfactorily

3.2. Legal implications

The Council is required to prepare and keep up to date a constitution under the Local Government Act 2000. The Contract Procedure Rules are contained in the procedure rules part of the Constitution.

The Council is a best value authority by virtue of s.1 of the 1999 Act. Section 3 sets out the general duty, which is for an authority to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. The Best Value Statutory Guidance confirms that councils should consider overall value, including social value, when considering service provision. There is also reference to the need for councils to ensure they do not commission services from, or give grants to, individuals or organisations which are considered extremist according to the definition used by the Government's Extremism Task Force or those who actively or vocally oppose fundamental British values, including democracy, the rule of law, individual liberty, and mutual respect and tolerance of

different faiths and beliefs; or which call for the death of members of our armed forces. There is a general duty to consult prescribed persons in connection with the best value duty and this includes consulting with local voluntary and community organisations and small businesses and doing do at various stages of the commissioning cycle.

The procedure rules contain a requirement for the evaluation criteria to include social value and this can include local employment, training, apprenticeships and use of small or medium sized enterprises or local suppliers. The Council has a template suite of procurement and contract documents, which were drafted by HB Public Law, to ensure compliant with the above requirements as well as other legal duties.

3.3. Risk management implications

3.3.1. The contract procedure rules mitigate the risk of failure of the council making proper decisions at appropriate levels. This is by ensuring that the rules allow for accountability by budget holders and senior leadership, and roles for sign off have been aligned to the current SBC structure

3.4. Environmental implications

3.4.1. There are no specific environmental implications arising directly from this report.

3.5. Equality implications

3.5.1. There are no specific environmental implications arising directly from this report.

3.6 Procurement implications

3.6.1 All procurement projects will consider the best procurement option and procurement route. This will ensure that best value is demonstrated in each procurement undertaken.

3.7 Workforce implications

3.7.1 There are no specific workforce implications arising directly from this report.

3.8 Property implications

3.8.1 There are no specific property implications in relation to this report.

4. Appendices 'A' Revised Contract Procedure Rules

5. Background Papers

None