

<b>SUBJECT:</b>	<b>Proposed Amendment to the Contracts Procedure Rules</b>	
<b>REPORT OF:</b>	<b>Head of Finance</b>	<b>Rodney Fincham</b>
<b>RESPONSIBLE OFFICER</b>	<b>Head of Finance</b>	<b>Rodney Fincham</b>
<b>REPORT AUTHOR</b>	<b>Head of Finance</b>	<b>Rodney Fincham</b>
<b>WARD/S AFFECTED</b>	<b>All</b>	

## 1. Purpose of Report

- 1.1 To request that the Council's Contracts Procedure Rules are amended.

## RECOMMENDATION TO COUNCIL

The Council's Contracts Procedure Rules are amended (as shown in Appendix A) to comply, and better align, with the Public Contracts Regulations.

## 2. Reasons for Recommendations

- 2.1 The Council needs to ensure that it complies with the Public Contracts Regulations, and aligning the Council's spend threshold to £25,000 will help keep the Procedure Rules as simple as possible.

## 3. Background

- 3.1 The new Public Contracts Regulations have introduced a new requirement that:  
*All contracts with a value estimated to be greater than £25,000 (£10,000 for central government) must be advertised on the Crown Commercial Service website Contracts Finder.*

## 4. Proposals

### Advertising Contracts

- 4.1 The Council's current Contracts Procedure rules require contracts over £20,000 to be advertised at least on the Council's website. There is no reference to advertising on the Contracts Finder website.
- 4.2 It is therefore proposed to amend the Contracts Procedure Rule to require contracts over £25,000 to be advertised on the Contracts Finder website. The requirement to advertise on the Council's website will be removed as the Council's website will be amended to refer interested parties to the Contracts Finder Website.

4.3 Furthermore the Council's current Spend Threshold are:

- Up to £5,000
- £5,000 to £20,000
- £20,001 to £50,000
- £50,001 to EU Threshold
- Above EU Threshold

Introducing a new Threshold level of £25,000 specifically for advertising contracts would make the Procedure Rules more complex. It is therefore proposed to change the threshold levels throughout the Rules to the following.

- Up to £5,000
- £5,000 to **£25,000**
- **£25,001** to £50,000
- £50,001 to EU Threshold
- Above EU Threshold

## 5. Options

Option	Advantages	Disadvantages
Do not amend the Contracts Procedure Rules and rely on the national guidance to require publication of contract opportunities on Contracts Finder.	No need to amend the Contracts Procedure Rules.	More difficult for officers to understand and therefore comply with the procurement rules.
Keep the level at £20,000 and require publication of all opportunities over £20,000 on Contracts Finder.	Keeps the procurement rules very similar to the current rules.	Does not standardise the Council spend thresholds in line with the national thresholds.

## 6. Corporate Implications

6.1 Changing the Council's Contracts Procedure Rules will help ensure that the Council complies with its legal obligations.

## 7. Links to Council Policy Objectives

7.1 It is good practices to regularly review the Council's Contracts Procedure Rules to ensure that they continue to help the Council spend public money wisely, fairly and transparently.

## 8. Next Step

8.1 Any changes to the Contracts Procedure Rules require the agreement of Council.

8.2 If changes are approved then the Contracts Procedure Rules will be amended and officers will be informed of the changes.

<b>Background Papers:</b>	None
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