



Buckinghamshire & Milton Keynes Fire Authority

Meeting and date: Overview and Audit Committee, 9 November 2022

Report title: Procurement Strategy 2022-2026 and Review of Standing Orders Relating to Contracts

Lead Member: Councillor Matthew Walsh

Report sponsor: Mark Hemming, Director of Finance and Assets

Author and contact: Ronda Smith, rondasmith@bucksfire.gov.uk

Action: Decision

Recommendations: That the Overview and Audit Committee approve the recommendations below for submission to the Fire Authority:

That the Authority be recommended to approve:

1. The Procurement Strategy 2022-2026 (Appendix 1)
 2. The Standing Orders Relating to Contracts as amended (Appendix 2)
-

Executive summary:

The aim of the **Procurement Strategy** is to set a clear framework for the procurement of goods, works and services within the Authority. The strategy supports the development of a longer-term vision of how procurement can help to deliver the Authority's aims and outcomes while working within a value for money framework and standing orders relating to contracts to achieve efficiency savings.

The previous Procurement Strategy covered the period 2015-2020. Publication of the latest Strategy was delayed while procurement regulations were being updated following Britain's withdrawal from the European Union. Work has continued during the interim period, and this is detailed within the latest Strategy.

In order to support the aims of the Procurement Strategy, it is also recommended that the Authority approves the following changes to **Standing Orders Relating to Contracts**:

- References to EU replaced with UK equivalent following Brexit.
- Changes to transparency rules relating to Public Sector Sub-Central Bodies noted, including obligation to publish contracts to relevant UK Cabinet Office portals; Contracts Finder & Find a Tender Service (FTS) .
- Item 2.2(g): Contract value amended to £25,000 to align with latest Public Sector sub-central bodies threshold and SME or VCSE added

- Item 4.3 Exemptions – Value increased from £50,000 to £75,000 to align with Clause 7.1 threshold value
- Item 5.3: Standard contract clauses updated to include Insurances
- Item 7.1: Threshold value increased from £50,000 to £75,000
- Item 7.2: Contract Value Thresholds updated to align with latest requirements of Public Sector Sub-Central Bodies in accordance with PCR (2015) transparency obligations, and support collaborative working alignment, as follows:
 - 7.2(a) Threshold value amended from ‘below £10,000’ to ‘below £25,000’
 - 7.2(b) Threshold value range of ‘£10,000 up to £50,000’ amended to a value range of ‘£25,000 to £75,000’
 - 7.2(c) Threshold value amended from ‘over £50,000’ to ‘over £75,000’
 - 7.2(d) Updated ‘Over the Public Contract Regulations Financial thresholds’ in accordance with Cabinet Office Find a Tender Service (FTS) threshold values, effective from 01 January 2022
- Item 8.1(d): Added Insurance checks
- Item 8.3: Threshold value increased from £50,000 to £75,000
- Item 9.4(c): Added ‘data protection regulations’
- Item 9.4(d): Added ‘proportionate levels of insurance in place.....’
- Item 16.3: Added ‘Contract Award Notices publication requirements ‘
- Items 17.1 & 17.2: Threshold value of contracts requiring to be ‘Sealed’ increased to £500,000 to align with collaborative partners in the delivery of effective and efficient collaborative working.
- Item 19.1: Termination of contract value reduced from £50,000 to £25,000, to ensure appropriate Notices are published to relevant Government portals
- Item 21.2: Assets Disposal- Net Book Value increased from £10,000 to £25,000

Financial implications:

Successful delivery of the Procurement Strategy will support the Authority in maximising the value for money achieved through procurement activities.

In reviewing the Standing Orders Relating to Contracts the Authority can demonstrate accountability of its use of resources by updating in line with latest legislation and best practice guidance appropriate to the good governance of the Authority and the Service.

Risk management:

By agreeing the Procurement Strategy as drafted, the Authority will reduce or omit the risk of failure in the following areas:

- The consequences of breaking Competition Law can result in penalties or fines, bad publicity, compensation claims from suppliers or in serious cases of breach, Directors of organisations can be disqualified or even sent to prison.
- The principles of Offer and Acceptance under Contract Law are complied with.
- Contract Standing Orders and Financial Regulations are complied with.
- Achieving value for money.
- Ensure a clear audit trail is available for every decision reached under the transparency agenda.
- Individuals will be aware of the policies and procedures and therefore can be held accountable for actions and decisions.
- Planning for future requirements in a timely manner and ensuring no 'waste'
- Being environmentally responsible.
- Contributing to overall Authority objectives.

Standing Orders Relating to Contracts ensure that contracts are appropriate for their purpose, provide the right balance between price and quality, and are procured in an open way that demonstrates probity and compliance with the Authority's policies and relevant legislation.

Legal implications:

There are a number of legislative requirements for good procurement management and these are set out in the body of the draft strategy.

The terms of reference reserve to the Authority the power to vary the Standing Orders Relating to Contracts, having considered any recommendations from the Overview and Audit Committee.

Privacy and security implications:

No direct impact.

Duty to collaborate:

It is proposed to increase the minimum threshold for requiring three written quotations from £10,000 to £25,000, and to increase the threshold for requiring a publicly advertised competitive tender process from £50,000 to £75,000.

This will help facilitate further collaborative procurement with Oxfordshire & Royal Berkshire fire and rescue services through the alignment of threshold values and procurement processes.

UK Public Contract Regulations (PCR) 2015 transparency rules include the obligation of Sub-Central Bodies to publish all Contract Notices with a value of £25,000 and above, to the Cabinet Office Contracts Finder. Aligning the Authority's minimum

threshold to the latest UK PCR (2015) transparency minimum threshold will support effective, efficient and transparent procurement.

Health and safety implications:

No direct impact.

Environmental implications:

One of the key areas within the Strategy is social value, which is about improving economic, social and environmental wellbeing from public sector contracts over and above the delivery of the services directly required.

Equality, diversity, and inclusion implications:

The strategy specifically sets out the aim to ensure all processes are transparent, accountable and fair to all parties.

Equality Impact table is included in the Strategy document.

An Equality Impact Assessment (EIA) has not been completed, where specific actions are undertaken in the future as a result of this strategy, it is expected that a specific EIA will be completed as appropriate.

Consultation and communication:

Communication to our staff and suppliers will be made regularly in line with the action plan within the Strategy.

Background papers:

Procurement Strategy 2015-2020, Executive Committee, 19 November 2014 - https://bucksfire.gov.uk/documents/2020/03/191114_exec_committee_papers.pdf (pp.47-65).

Standing Orders Relating to Contracts, February 2020 - https://bucksfire.gov.uk/documents/2020/03/contract_standing_orders_-_february_2020.pdf/

Appendix	Title	Protective Marking
1	Procurement Strategy 2022-2026 (v1.0(004))	
2	Standing Orders Relating to Contracts (v1.0(004) – with tracked changes)	