

SLOUGH BOROUGH COUNCIL

REPORT TO: Council **DATE:** 23rd November 2021

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WARD(S): All

PART I **FOR DECISION**

REVISION OF THE CONSTITUTION – CONTRACT PROCEDURE RULES

1 Purpose of Report

- 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.

2 Recommendations

- 2.1 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.

3 The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan

3a. Slough Joint Wellbeing Strategy Priorities –

The adoption of the revisions to the Council's Constitution recommended in this report are designed to improve the governance of the organisation and will in particular ensure efficiency in terms of the Council's procurement processes.

3b. Five Year Plan Outcomes

The actions contained within this report will ensure the Council obtains value for money in its procurement arrangements and has transparent processes in place. This will help ensure that financial resources are directed to front line services that will contribute to the five priority outcomes.

4. Other Implications

(a) Financial

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 all decisions to be audited satisfactorily.

(b) Risk Management

Risk	RAG Before Mitigation	Mitigation	RAG After Mitigation
Failure to make proper decisions at appropriate levels	Amber	<p>Thresholds in new procurement proposals allow greater accountability by budget holders and senior leadership</p> <p>Roles for sign off have been aligned to the current SBC structure</p>	Green

(c) 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. It is intended that there will be a review of these documents and a training programme to support council officers to undertake compliant procurement processes in the future.

(d) Equalities Implications

The Best Value Statutory Guidance states that authorities should avoid “gold plating” the Equality Act 2010 and should not impose contractual requirements on private and voluntary sector contractors over and above the obligations in the Act. This includes seeking to remove unnecessary paperwork and obstacles to contract compliance thereby making it easier for small and medium firms and the voluntary sector to apply and bid for contracts, and lowering costs to taxpayers

5. **Supporting Information**

5.1 **Proposed New Contract Procedure Rules**

- 5.1.1 The Council’s current contract procedure rules are contained in the Financial Procedure Rules in Part 4.6.1 of the Constitution.
- 5.1.2 The revised rules are intended to improve decision making at the appropriate levels. Thresholds allow greater accountability by budget holders and senior leadership, to attempt to achieve greater compliance with the rules by simplifying low value procurement requirements, and to free up the procurement service to concentrate on high value/high risk procurement and procurement that must be in line with government guidance.
- 5.1.3 Cabinet will have better and more comprehensive visibility on high value/high risk procurement and ensure greater involvement and accountability on decisions.
- 5.1.4 The amended rules add new requirements and separate thresholds for Works contracts. Previously requirements have been the same as for services. Change in thresholds and requirements should allow low value/low risk projects an easier route to market and projects that require more external input (architects/professional services) the scrutiny they need.
- 5.1.5 Roles for sign off have been aligned to the current SBC structure according to the scheme of delegation.
- 5.1.6 Once agreed, the revised contract procedure rules will be communicated to staff through briefings and guidance on the council’s intranet.
- 5.1.7 The proposed set of revised rules have been prepared and are appended to this report.

6. **Comments of Other Committees**

The changes to the Constitution proposed in this report were considered by the Member Panel on the Constitution at its meeting held on 3rd November 2021.

7. **Conclusion**

The revisions to the Council's contract procedure rules recommended in this report enhances good governance by ensuring that any procurement process for services, works or goods achieves best value and is transparent, open and fair.

8. **Appendices Attached**

A) Revised contract procedure rules

9. **Background Papers**

None