

Cheltenham Borough Council
Council – 14 December 2015
Contract Rules

Accountable member	Councillor Colin Hay - Chairman Constitution Working Group
Accountable officer	Mark Sheldon - Director of Resources
Ward(s) affected	None
Key/Significant Decision	No
Executive summary	To ensure that the Council's Contract Rules reflect the latest statutory requirements GO Shared Services have designed a common Procurement and Contract Management Strategy for all of the partner councils. This will be supported by a new common set of Contract Rules prepared by One Legal which has been considered by the Constitution Working Group and recommended to Council for approval.
Recommendation	That the Contract Rules be approved.

Financial implications	None directly from the report, although compliance with the Contact Rules will support the Council's aim of securing value for money and protect the Council from legal challenge on procurement processes. Contact officer: mark.sheldon@cheltenham.gov.uk, 01242
Legal implications	The Contract Rules have been updated to reflect the new Public Contract Regulation 2015 and the requirements contained in the Public Services (Social Value) Act 2012, the Community Right to Challenge (Localism) Act 2012 and the Local Government Transparency Code 2015. Contact officer: sarah.halliwell@teWKesbury.gov.uk, 01684 272692
HR implications (including learning and organisational development)	All staff will need to be trained and briefed on the new processes. Contact officer: Julie McCarthy @cheltenham.gov.uk, 01242 264355
Key risks	Should the Council not approve the updated Rules, the Council may be found to be not complying with legislation.
Corporate and community plan Implications	None

Environmental and climate change implications	None
Property/Asset Implications	Contact officer: @cheltenham.gov.uk

1. Background

1.1 GO Shared Services (GOSS) provides procurement support to the following organisations:-

- Cheltenham Borough Council;
- Cotswold District Council;
- Forest of Dean District Council;
- West Oxfordshire District Council;
- Cheltenham Borough Homes Ltd.;
- Ubico Ltd;
- The Cheltenham Trust Ltd.

1.2 The GOSS Councils designed a common Procurement and contract management strategy for all of the GOSS Partner Councils. This was approved and adopted by this Council in July 2015.

1.3 The GOSS Procurement Team is now developing a common approach to effective procurement across all Partner Councils by focusing on activities which lead to financial savings and improved practices. As part of this work, a common Procurement and Contract Management Strategy was adopted by all Partner Councils earlier this year. Standardised processes and documentation, intranet and internet publications are currently being developed on behalf of the Councils. The aim is to make it easier to engage with, and improve the experience for all suppliers especially Small and Medium Enterprises (SMEs).

1.4 The Contract Rules attached at Appendix 2 incorporate recent changes to legislation including; The Public Services (Social Value) Act 2012 and Community Right to Challenge (Localism) Act 2012, The Public Contracts Regulations 2015 (PCR2015) and the Local Government Transparency Agenda 2015 .

1.5 Application of the Procurement and Contract Management Strategy, together with compliance with the Council's Financial Rules and Contract Rules, will ensure that the Council conducts its procurement activity in compliance with statutory regulations and will help to mitigate the risk of fraud and corruption in procurement activity.

2. Reasons for recommendations

2.1 Cotswold District Council, West Oxfordshire District Councils and Forest of Dean District Council have all approved the Contract Rules; the recommendation to Council to approve a Cheltenham Borough Council version will help with continuity across the partners and compliance with legislative requirements.

3. Alternative options considered

3.1 None

4. Consultation and feedback

4.1 All four Go Partners and their section 151 officers were consulted and their views taken on-board. The Constitutional Working Group was also consulted on the 12 November 2015 and their views and comments were incorporated.

5. Performance management –monitoring and review

5.1 The GO Shared Services procurement team will develop a Procurement Code and a toolkit of self-service guidance documents, consistent with the aims of the Procurement and Contract Management Strategy, as a guide to best practice and processes for achieving best value. The GO Shared Services Client Officer Group will oversee implementation of the Code and tool kit.

Report author	Contact officer Mark Sheldon@cheltenham.gov.uk, 01242 264123
Appendices	<ol style="list-style-type: none">1. Risk Assessment2. Contract Rules
Background information	

The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
	Any risks associated with equality impact										
	Any environmental risks										
<p>Explanatory notes</p> <p>Impact – an assessment of the impact if the risk occurs on a scale of 1-5 (1 being least impact and 5 being major or critical)</p> <p>Likelihood – how likely is it that the risk will occur on a scale of 1-6 (1 being almost impossible, 2 is very low, 3 is low, 4 significant, 5 high and 6 a very high probability)</p> <p>Control - Either: Reduce / Accept / Transfer to 3rd party / Close</p>											