

## **Appendix 2 – Summary of Proposed Revision to Contract Procedure Rules**

### i) Update of EU Spend thresholds

The European Commission has a practice of revising EU Spend thresholds on a 2 year cycle, thresholds were updated on 1/1/2018, and now need to be reflected in the Council's Contract Procedure Rules.

CPR Rule 1.1.7 has been updated to reflect the following updated EU Spend Thresholds:

<b>Supplies / Services</b>	<b>£181,302</b>
<b>Works</b>	<b>£4,551,413</b>
<i>(as detailed within Schedule 2 of the Public Contracts Regulations 2015)</i>	
<b>Social and Other specific Services</b>	<b>£615,278</b>
<i>(as detailed within Schedule 3 of the Public Contracts Regulations 2015)</i>	

Additionally, the revised spend thresholds have also been reflected in:

CPR Rule 1.10 - Pre Procurement Reporting  
CPR Part 2 - Contracts exceeding the applicable European Union spend thresholds  
CPR Part 3 - Contracts up to but not exceeding the European Union spend thresholds

### ii) CPR 1.1.10 Contract Sealing

Point vi has been added to clarify that a record of questions asked and responses given during a procurement process should be provided to Legal as part of the contract sealing pack

### iii) CPR 1.4 – E Procurement

CPR 1.4 has been modified to recognise that where external frameworks are utilised then dependent upon the rules of the framework, as set by the framework owner, a mini competition process may not necessarily be run via the Council's electronic opportunity portal, and alternatively may be run by the framework owner externally on the Council's behalf

### iv) CPR 1.8 Waiver of Contracts Procedure Rules

CPR 1.8.1(a) has been amended to remove the word 'first', allowing for a retrospective waiver to be considered.

v) CPR 1.10.1 – Pre Procurement Reporting

CPR1.10.1(a) has been amended to reflect that Pre Procurement Reporting will be required from Head of Service for proposed procurements in the range of £20,000 to £150,000. This has been modified from the original range of £5000 to £150,000, and synchronises with the raising of the threshold at which the Council's Corporate Procurement team must be engaged.

This change has also been reflected in the illustration at page 35 of the Contracts Procedure Rules.

vi) CPR 1.10.2 - Pre-Procurement Approval specifically in respect of Adult's or Children's Social Care support packages and placements

This rule has been retitled to:

“Pre-Procurement Approval specifically in respect of Adult's or Children's Social Care support packages and placements, and Substance Misuse Residential Rehabilitation placements”

The following additional officer posts have also been inserted into the narrative:

- i) Director Social Care and Health
- ii) Director of Public Health

vii) Criteria and Weightings set out in the Procurement Documentation

CPR Rules 2.9.1(b) and 3.2.1(b) have been corrected for terminology to ensure that it is clear that evaluation and award shall be carried out in accordance with criteria and weightings set out in the Procurement Documentation and must not be changed at any time during the process.

viii) CPR 3.1 Competition Requirements for Contracts up to but not exceeding European Union Spend Thresholds

CPR Rules 3.1.1 (a) and (b) have been amended to raise the threshold, below which procurement can be undertaken on the basis of a minimum of two written quotations without explicit requirement to involve the Corporate Procurement Team, from £5,000 to £20,000. This is proposed in order to ensure that procurement processes are as streamlined as possible, whilst ensuring an appropriate level of control and oversight, delivers a previously expressed intention, and follows the successful implementation of improved processes and compulsory staff training over the past 18 months, both verified by internal and external audit activity. A minor change has also been made to the drafting of 3.1.1 (b) to make it read clearer.

A new rule CPR 3.1.1 (c) has been introduced to make specific provision relating to “commercial activities”, in support of the Council's stated objective to develop its commercial activity, and recognises the particular need for decisions to be made in an efficient, effective and timely manner in order to support the operation of such activity and maximise financial performance. It relates solely to “commercial activities” as defined in the Financial Procedure Rules, i.e. specific business plans that are developed and approved by Cabinet and then overseen by the Council's Investment Board, which includes the Chief Executive, Executive

Director, Head of Commercial Development and Head of Corporate Resources (s151 Officer).  
A definition of Commercial Activities has also been added to the Glossary of Terms.