

<b>Committee:</b>	<b>Constitution Sub-committee</b>																
<b>Date of Meeting:</b>	04 November 2020																
<b>Subject:</b>	Council Constitution – Part 4, Chapter 9 – Procurement Thresholds and Light Touch Procurement Regime																
<b>Report Author:</b>	Service Manager, Procurement																
<b>Contact Officer:</b>	Catharine Southern																
<b>Implications:</b>	<table> <tr> <td>Legal</td> <td><input checked="" type="checkbox"/></td> <td>Community Safety</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Equalities</td> <td><input type="checkbox"/></td> <td>Environment</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Financial</td> <td><input type="checkbox"/></td> <td>Consultations</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Staffing</td> <td><input type="checkbox"/></td> <td>Other</td> <td><input type="checkbox"/></td> </tr> </table>	Legal	<input checked="" type="checkbox"/>	Community Safety	<input type="checkbox"/>	Equalities	<input type="checkbox"/>	Environment	<input type="checkbox"/>	Financial	<input type="checkbox"/>	Consultations	<input type="checkbox"/>	Staffing	<input type="checkbox"/>	Other	<input type="checkbox"/>
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<b>Wards Affected:</b>	All																

### Purpose

1. To ensure that the Contract Procedure Rules support the efficient and effective delivery of a procurement service and enshrine the actions from a recent internal audit report in relation to spot placements for adults and children’s services.

### Recommendations

2. The Sub-Committee is requested to recommend Constitution Committee to recommend the Full Council to:
  - (i) increase the procurement threshold set out at Standing Order 85.1 (Chapter 9, Part 4 of the Council’s Constitution) from £1,000 to £5,000
  - (ii) revise Chapter 9 of Part 4 of the Council’s Constitution to reflect in the Contract Procedure Rules the ‘Light Touch’ procurement regime required by the Public Contract Regulations 2015, in particular with reference to the transparency, oversight and governance of spot care placements for Adults and Children.

### Background

3. In order to enable to corporate procurement service to support deliver of Luton 2040, it is important to ensure that resources are released to focus on more strategic activity. A review of historical transactions to understand the potential benefit of moving the current procurement threshold at which purchase orders come into the procurement service has been undertaken.
4. The draft internal Procurement Contract audit report also highlighted the need for the Council’s Standing Orders (Part 4 of the Constitution) to be updated to include the ‘Light Touch Regime’ and procurement process for adults and children’s care placements as part of the constitution review which is in progress.

### Report

5. The current procurement thresholds set out at Chapter 9 of Part 4 of the Council’s Constitution (Standing Order 85.1), means that all purchase order requests raised within AFP (the councils corporate finance system) of £1K or more, come into the corporate procurement service to be approved/ raised. Increasing this threshold to £5k enables the procurement service to focus on more strategic activity whilst empowering services to raise orders more efficiently to meet service needs. The increase in

threshold does not significantly reduce the value of expenditure under the oversight of the procurement team.

6. The recommendation arising from the internal audit report in relation to the inclusion in Part 4 of the 'Light Touch Regime' will ensure that the Councils Constitution reflects the Public Contract Regulations 2015, in particular, with reference to the transparency, oversight and governance of spot care placements for Adults and Children.

### **Proposal/Options**

7. For members to support the changes to Contract Procedure Rules contained in chapter 9 of Part 4 of the Constitution set out at recommendations 2 (i) to 2 (ii) above.
8. The proposed working of the changes to Part 4 of the Constitution in relation to spot care placements for Adults and Children will be available for the Constitution Committee on 1 December 2020.

### **Appendix**

9. None

### **List of Background Papers - Local Government Act 1972, Section 100D**

10. Public Contract Regulations 2015

### **Implications**

Item	Details	Clearance Agreed By	Dated
<b>Legal</b>	Details of any legal implications will be included in the report to Constitution Committee on 1 December 2020.		