



Full Council	Tuesday, 15 April 2025	Matter for Decision
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Report Title: **Update to the Constitution – Contract Procedure Rules**

Report Author(s): **David Gill (Head of Law and Democracy / Monitoring Officer)**

Purpose of Report:	To seek approval to update the Council's Contract Procedure Rules.
Report Summary:	In order to comply with the requirements of the Procurement Act 2023 which came into force in February 2025 the Council's Contract Procedure Rules require updating to reflect the changes in the legislative requirements.
Recommendation(s):	That Council approves the updated Contract Procedure Rules attached at Appendix 1 and authorises the Monitoring Officer / Head of Law and Democracy to make the necessary amendments to the Constitution.
Senior Leadership, Head of Service, Manager, Officer and Other Contact(s):	David Gill (Head of Law & Democracy / Monitoring Officer) (0116) 257 2626 david.gill@oadby-wigston.gov.uk
Strategic Objectives:	Our Council (SO1)
Vision and Values:	Not applicable
Report Implications:-	
Legal:	The implications are as set out at paragraphs [X] of this report.
Financial:	There are no implications directly arising from this report.
Corporate Risk Management:	Key Supplier / Partnership Failure (CR2) Reputation Damage (CR4) Regulatory Governance (CR6) Increased Fraud (CR10)
Equalities and Equalities Assessment (EA):	There are no implications directly arising from this report. EA not applicable
Human Rights:	There are no implications arising from this report.
Health and Safety:	There are no implications arising from this report.
Statutory Officers' Comments:-	
Head of Paid Service:	The report is satisfactory.
Chief Finance Officer:	The report is satisfactory.
Monitoring Officer:	As the author, the report is satisfactory.

Consultees:	Constitutional Working Group (20 March 2025)
Background Papers:	Procurement Act 2023
Appendices:	1. Updated Contract Procedure Rules

1. Background

- 1.1 The Council's constitution sets out how the Council operates, how decisions are made, and the procedures that are followed to ensure these are efficient, transparent and accountable to local people.
- 1.2 The Constitution comprises of a mix of statutory requirements and local choice functions.
- 1.3 Where there are changes to the statutory functions the Monitoring Officer / Head of Law and Democracy) has a general delegation to amend the Constitution to make amendments to reflect changes in fact and law.
- 1.4 Given the fundamental changes that the Procurement Act 2023 have required to the Contract Procedure rules i.e. that they have been completely re-written, the Monitoring Officer / Head of Law and Democracy considers it prudent that Members should have sight of the new Contract Procedure rules in the interests of transparency.

2. Legislative Changes

- 2.1 The Procurement Act 2023 became effective from 24 February 2025 and will change how the Council manages procurement.

The new Act's key objectives are:

- Delivering value for money
 - Promoting transparency
 - Ensuring fairness between suppliers
 - Reducing barriers for Small & Medium-sized enterprises SMEs.
- 2.2 When the Act commenced on the 24 February 2025, the old and new rules operated in parallel for some time which enabled the Project & Procurement, Finance and Legal Teams to work together to ensure that the Council is ready for the changes the new act will bring.
 - 2.3 One of the biggest changes being introduced is a move to "transparency by default", There is a clear emphasis on openness, visibility, accountability and oversight.
 - 2.4 All contracts with a total value over £5,000 will need to be recorded on the register, this included consultants and recruitment contracts and IT Supplier contacts. The move for more transparency will also mean completing the enhanced noticing requirements when contracts are awarded via a new central digital platform.

3. Procurement Procedures

- 3.1 Under the current PCR's 2015 there are eight identifiable procurement procedures. The new Act uses only three procedures, not including frameworks and dynamic markets (the new name for dynamic purchasing systems).
- 3.2 The new procurement procedures are:
 - Open Procedure

- Competitive Flexible procedure
- Direct award

3.3 There are minimal changes to Frameworks, which is positive for OWBC as these are we often used for the supply of goods and services.

4. Contract Management

4.1 The Act contains significant new rules around contract management, including:

- **Publication of information throughout the life of the contract** – publication at OWBC is achieved through the publication of the contract register or in our larger contracts via the new central digital portal.
- **Ongoing performance monitoring** – SLT are considering how we can implement efficient and effective KPI's and overall governance of contracts.
- **Implied terms to deal with invoicing and payment issues**
- **Implied term giving a right of termination**

5. Updated Contract Procedure Rules

5.1 SLT is satisfied that the updated Contract Procedure Rules attached at **Appendix 1** fully comply with the legislative changes and correctly reflect the statutory thresholds relating to the type of procurement, which was a matter of concern for Members of the Constitutional Working Group who considered the updated rules at their meeting on 20 March 2025.