

## Procurement Board – Terms of Reference

### Purpose

To ensure that the Council's procurement activity is well governed and delivers best value for money across the Council's activities.

### Scope:

- To provide a report on all contracted third party spend of the Council, both revenue and capital expenditure (value exceeding £50k). This includes spend of grant monies or funded work.
- Procurement activity where the Council is the lead on behalf of other organisations
- The reports that should come to procurement board are highlighted in appendix A and the three areas are:
  - Procurement Strategies i.e. how do services intend to procure with full options appraisal;
  - Procurement extensions – where a procurement has previously taken place for a contract which includes the option to extend and the service wishes to exercise their option to extend the contract;
  - Procurement exceptions – where a service wish to use a different procurement route to the standard approach in the constitution or proposes to modify an existing contract (including the extension of that contract where there is no provision to extend);
  - Category plans – one off activity;
  - Contract Awards
  - Policy Papers/Procurement Updates and Significant Developments e.g. new legislation or contract uplifts.

### Objectives:

- To ensure compliance with the Council's constitution in respect of part 8 ([Contract Rules](#)).
- To agree exceptions to the above Part 8 of the constitution in line with delegation levels.
- To ensure the Council is maximising Best Value through its procurement activity.
- To ensure that the forward plan (at least 12 months) is well managed with up-coming procurement activity.

- Where there are financial implications, that the service has ensured that there is either the required budget, or that additional budget (revenue, capital or funding via grants) has been secured.
- To agree procurement strategies (i.e. how service areas intend to procure) for contracts per the contracts rules of procedure and highlighted in appendix A.
- To provide quarterly summaries to corporate board on contracts awarded.
- To provide a quarterly summary to Executive on contract awards which will exceed £2.5m and seek approval to delegate authority to award in appropriate circumstances.
- To ensure appropriate information sharing with Portfolio Holders around contractual and procurement activity (relevant PH will be asked to comment in advance on board papers within their respective remits – thus avoiding requirement to attend this board in person).
- To agree contract award reports in accordance with the previously agreed procurement strategy.

## **Frequency**

- Meet on a monthly basis (dates to be scheduled annually in advance).
- Any papers to appear on an exception basis outside of usual meetings to be:
  - Agreed by the Chair
  - Must be due to a genuine exception (e.g. critical / urgent / statutory services)
  - Incomplete papers will not be considered by the Board

## **Attendees (with named substitute)**

- Executive Director/S151 Officer (resources) – Chair
- Head of Commissioning and Procurement
- Legal Services Representative
- Financial services representative
- Service Managers and procurement officers to attend for their specific agenda items
- Directorate representatives
- Corporate Category Manager (standing items on contract awards and upcoming renewals)
- Commissioning and Procurement Administrator (scheduling and administration)

To be quorate, the meeting must include the following officers as a minimum (or their representative)

- Executive Director (Resources)
- Head of Commissioning and Procurement
- Legal Services representative

- Financial services representative

If non-quorate the meeting may take place, but subsequent agreement from the above members must be sought to ratify any decisions made.

**Procurement Board oversight**

**Procurement Strategies - Standard procurement activity**

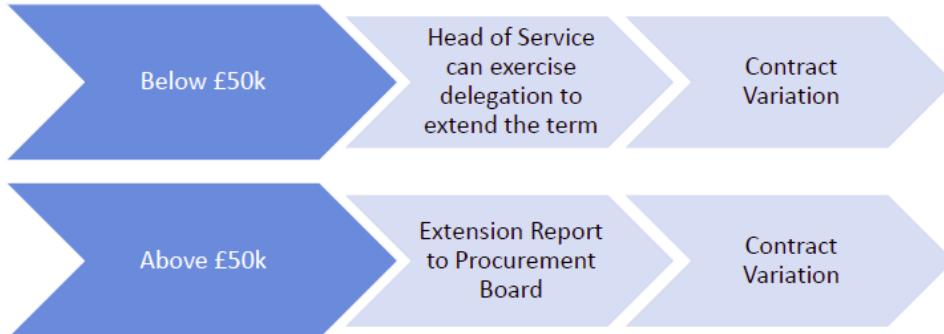
The below flowchart sets out when reports will need to come to the procurement board. Simply, any procurement over £100k will need a strategy setting out the approach for the procurement to come to the procurement board. Over £100k an award report will need to come back to Procurement Board to gain approval for any Contract Award.

Any contract valued over £500k – will need to be added to the forward plan at point of procurement.

Any contract valued over £2.5m will require approval to award via Procurement Board, Corporate Board, Operations Board and Executive – prior to the Intention to Award being given.

Full consultation with stakeholders at all stages should be undertaken to include Service Lead / Director, Finance, Legal & Democratic Services – with relevant Portfolio Holder sighted on papers prior to full circulation.

**Procurement Extension (only where provision exists within the contract)**



**Procurement exception (where extensions are sought and there is no provision to extend OR where a direct award is recommended with clear reasoning set out)**

