

Review of Council Procurement Policies and Food and Music Festival

Members

Councillors Twelves, Amil, Brook, Harvey, Long, Stevens and Liberal Democrat Vacancy

(Contact on t: 01803 207087 or e: governance.support@torbay.gov.uk)

A meeting of **Review of Council Procurement Policies and Food and Music Festival** will be held on **Wednesday, 3 April 2024** commencing at **2.00 pm**

The meeting will be held remotely via Zoom (the links to the meeting are set out below)

Join Zoom Meeting

<https://us02web.zoom.us/j/86711292087?pwd=TFI3OGN4eklVMENVTC9QWFBVbzFoQT09>

Meeting ID: 867 1129 2087

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Agenda

- 1. Apologies**
To receive apologies for absence, including notifications of any changes to the membership of the Review Panel.
- 2. Election of Chairman/woman**
To formally elect the Chairman/woman of the Review Panel.

3. **Declarations of Interest**

- a) To receive declarations of non pecuniary interests in respect of items on this agenda.

For reference: Having declared their non pecuniary interest members may remain in the meeting and speak and, vote on the matter in question. A completed disclosure of interests form should be returned to the Clerk before the conclusion of the meeting.

- b) To receive declarations of disclosable pecuniary interests in respect of items on this agenda.

For reference: Where a Member has a disclosable pecuniary interest he/she must leave the meeting during consideration of the item. However, the Member may remain in the meeting to make representations, answer questions or give evidence if the public have a right to do so, but having done so the Member must then immediately leave the meeting, may not vote and must not improperly seek to influence the outcome of the matter. A completed disclosure of interests form should be returned to the Clerk before the conclusion of the meeting.

(Please Note: If Members and Officers wish to seek advice on any potential interests they may have, they should contact Governance Support or Legal Services prior to the meeting.)

4. **Review of Council Procurement Policies - Food and Music Festival**

(Pages 4 - 12)

To consider a report on the above and make recommendations to the Cabinet.

5. **Revised Contract Procedures**

(Pages 13 - 20)

To consider a report on the above and make recommendations to the Cabinet.

6. **Instructions for the press and public for joining the meeting**

If you are using an iPad you will need to install Zoom which can be found in the App Store. You do not need to register for an account just install the software. You only need to install the software once. For other devices you should just be taken direct to the meeting.

Joining a meeting

Click on the link provided on the agenda above and follow the instructions on screen. If you are using a telephone, dial the Zoom number provided above and follow the instructions. (Note: if you are using a landline the call will cost up to 13p per minute and from a mobile between 3p and 55p if the number is not covered by your inclusive minutes.) You will be placed in a waiting room, when the meeting starts the meeting Host will admit you. Please note if there are technical issues this might not be at the start time given on the

agenda. Upon entry you will be muted and your video switched off so that only the meeting participants can be seen. When you join the meeting the Host will unmute your microphone, ask you to confirm your name and update your name as either public or press. Select gallery view if you want see all the participants. If you have joined the meeting via telephone, your telephone number will appear on screen and will be displayed for all to see until the Host has confirmed your name and then they will rename your telephone number to either public or press.

Meeting: Review of Council Procurement Policies and Food and Music Festival

Date: 3 April 2024

Wards affected: All Wards

Report Title: Review of Council Procurement Policies - Food and Music Festival

When does the decision need to be implemented? n/a

Cabinet Member Contact Details: Councillor Jackie Thomas, Cabinet Member for Culture, Tourism & Events and Corporate Services, jackie.thomas@torbay.gov.uk

Director Contact Details: Malcolm Coe, Director of Finance, malcolm.coe@torbay.gov.uk

1. Purpose of Report

1.1 This report sets out how the procurement recommendations in the internal audit report on the Food and Music Festival are being addressed.

2. Reason for Proposal and its benefits

2.1 Weaknesses in the due diligence and contract management processes were identified by Internal Audit in relation to the contract awarded to Case Live Limited for the provision of a Food and Music Festival in May 2023.

2.2 The reason for the proposals is to provide assurance the Internal Audit recommendations are being addressed.

2.3 The main benefit of the proposals is to help to ensure the Council has robust, effective systems and processes in place for understanding, mitigating and managing risk of supplier or contract failure, in order to prevent a similar situation occurring in the future.

3. Recommendation(s) / Proposed Decision

1. To support the proposals and to make a decision as to whether Panel require further involvement in reviewing and signing off on the revised policies and procedures being put in place.

Background Documents

Agenda for Overview and Scrutiny Board on Wednesday, 5 July 2023, 5.30 pm (torbay.gov.uk)

Supporting Information

1. Introduction

- 1.1 Following 2 unsuccessful tender processes which sought to appoint a contractor to provide a Food and Music Festival in Torbay, a waiver request was submitted to directly award the contract to Case Live Limited, following discussions with both Case Live Limited and ER Bid who had both submitted tenders through the unsuccessful procurement processes.
- 1.2 The contract value attributed to the waiver request Of £120,000 related only to the Council's direct funding contribution of £40,000 per annum over a 3 year term.
- 1.3 The first event was due to take place at the end of May 2023 and the Council were notified on 26/04/2023 by Case Live Limited that the event was being cancelled as they were going into administration.
- 1.4 As a result of the event being cancelled Devon Audit Partnership were engaged to review the process leading up to the award of the contract and its subsequent management to identify any weaknesses in the processes undertaken and make any recommendations to address those weaknesses.
- 1.5 The Devon Audit Partnership made the following procurement and contract management recommendations:
 - Going forward in order to avoid any potential breach of procurement regulations, it is vital that departments precisely follow any instructions given by the Procurement Team and retain full and accurate records relating to instructions and decisions made.
 - When wording supporting narrative within a waiver, care must be taken to ensure the narrative is clear and reduces the risk of misinterpretation.
 - When contracting, all company information must be consistent throughout to ensure that related due diligence is undertaken on the correct company(ies).

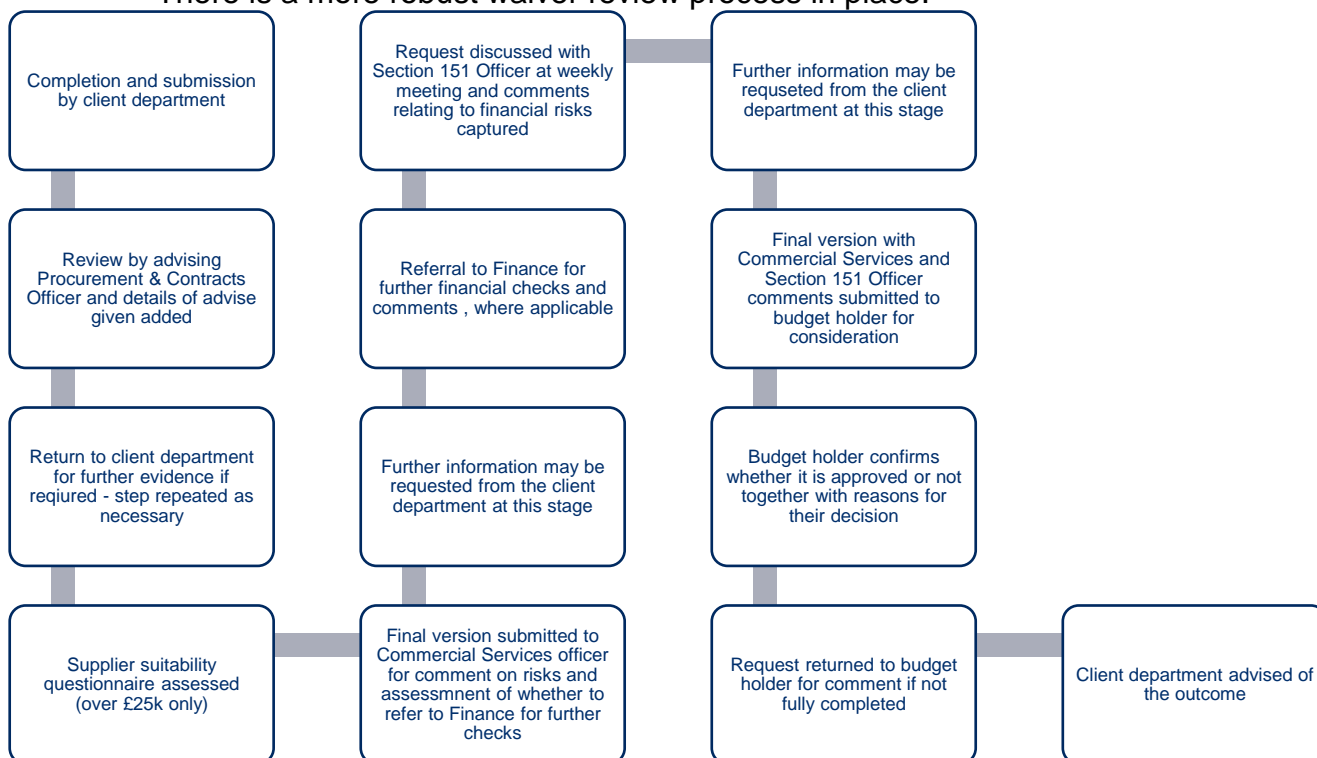
- To ensure robust waiver approval, the information contained within it must be complete and accurate, which may be achieved through the provision of evidence supporting the waiver content.
- The information stated within the waiver must be accurate and challenged by all involved in the approval.
- Due diligence must include a current financial check on the supplier and any related companies regardless of whether it is following a successful tender process or as a result of a waiver process.
- Financial checks must be undertaken and repeated throughout the Procurement processes through to contract award and final signing to address the risk of decisions being made on out-of-date financial information.
- To support accurate decision making, all financial check reports must be shared with all relevant parties.
- In addition to company financial checks, due diligence could include Procurement checks of Companies House information on the supplier and any related companies.
- Contract monitoring must ensure that all contractual obligations are met by the supplier and any non-compliance is recorded and addressed.
- Contract monitoring must ensure that supplier financial resilience flags are robustly considered and actioned accordingly.
- Supplier evaluation and selection must clearly record and consider the suitability of the bid proposal prior to award of contract.
- Contracts such as these should consider inclusion of related public recourse against financial loss incurred.
- Financial Regulations must be reviewed in light of this matter and the new waiver process to ensure there is no risk of misinterpretation of authority to contract award and approval. In addition, consideration should be given to strengthening the waiver due diligence to ensure it is at least as robust as the tender process e.g., requiring exemplar contract information.

1.6 The Public Contracts Regulations 2015 are due to be replaced by the Procurement Act 2023 during the Autumn 2024. This Act will improve the way procurement is undertaken, so that every pound goes further for our public services. This transformation of public procurement represents a big change for all public bodies, creating simpler, more flexible and effective procurement. Work is already underway to ensure the Council has the appropriate skills, systems and processes in place to meet its obligations under the Act and realise its benefits. Some of the review recommendations will be addressed through this work which will necessitate the development and implementation of new policies, procedures, guidance and training materials.

2. Options under consideration

2.1 The waiver process has been reviewed and a new approach was introduced in June 2023, this includes:

- There is a more robust waiver review process in place:



- Assessment by the Procurement and Contracts Officer who has advised the client to ensure the necessary evidence to support the request is provided before submission for comment or approval. The advising Procurement and Contracts Officer also sets out the advice they gave so the member of the Commercial Services officer commenting on the procurement risks is able to take into consideration whether the request aligns to the advice given.
- The Commercial Services officer commenting on the request now provides a fuller and more detailed commentary on the associated risks and what they relate to.
- Increased level of checking and review to ensure company information is consistent throughout.
- Monthly procurement and contracts officer meetings introduced to facilitate ongoing training and development and review of processes and procedures.
- The waiver request form now includes a requirement to provide details on the full value of the contract to the supplier, not just the Council spend.
- Waiver requests are returned to the budget for completion where they have not provided a decision and/or given reasons for that decision, i.e. where they have simply signed and dated the request.
- Potential suppliers are required to complete and return a Supplier Suitability Questionnaire for all waivers with a value exceeding £25k, regardless of when prior due diligence checks have been undertaken. The Suitability Questionnaire includes information on parent / ultimate parent companies to enable appropriate checks to be undertaken.
- Where further financial checks are required the relevant information is shared with the Finance team and the client department. Any issues identified are discussed with the Section 151 Officer at the review meeting taking into account Finance team recommendations and guidance is provided to the client department on how to monitoring financial viability / risk when the contract is in place.

- 2.2 There has been a restructure within the Commercial Services which has resulted in the creation of a number of new posts decision at improving procurement and contract management oversight:
- Deputy Head of Commercial Services – responsible for managing the procurement and contract management function to ensure team resources are allocated appropriately and providing advice and guidance across the team and wider council in relation to the application of public contracts legislation and case law, will be in post June 2024.
 - Policy and Compliance Manager – responsible for ensuring the appropriate policies, procedures, guidance and training tools are in place to support effective procurement and contract management, will be in post May 2024.
 - Commercial Business Partner – responsible for working across directorates to ensure we are able to develop a robust procurement pipeline and that we understand and can respond to individual directorates training and support needs, will be in post April 2024.
 - Data and Compliance – responsible for monitoring and reporting on compliance with Contract Procedures and contract compliance, in post December 2023.

The Deputy Head of Commercial Services, Policy and Compliance Manager and Commercial Business Partner will work with the Head of Commercial Services to implement the new contract procedures and requirements of the Procurement Act 2023.

- 2.3 Legal Services have appointed an interim Commercial Lawyer who assists with contract drafting, advises on contract indemnities and other contractual matters.
- 2.4 Revised Contract Procedures were approved by Council on 22 February 2024 and changes are being rolled out as part of the transforming procurement programme.
- 2.5 The government mandated Selection Questionnaire and Supplier Suitability Questionnaire have been updated to include the requirement for suppliers to submit organisational business continuity and exit management plans as part of the selection process.
- 2.6 Some contract tiering work has been undertaken, classifying contracts as gold, silver and bronze, with ongoing financial tracking of all gold contracts via D&B Finance Analytics. Where concerns are raised in respect of a supplier this is flagged to the client department and Section 151 Officer for action. The contract tiering / risk assessment process will be refined over the coming months – see point 2.7 below. Factors taken into consideration when tiering contracts are:
- How critical the contract is to the Council's operations
 - Impact on local residents, legislative / regulatory / statutory obligations and finances if the contract is not put in place or fails
 - Value and term of the contract
 - Contract management resources available to oversee the contract

- Supply market diversity – both complexity and risk – how easy it would be put a new contract in place if the supplier or contract failed
- Information governance and data protection implications
- Whether TUPE applies to the contract
- Whether the contract safeguarding of children and/or vulnerable adults forms part of the contract
- Any additional risks – including those of a financial nature identified during the tender process

2.7 There are a number of changes which will need to align to the requirements of the Procurement Act 2023 to avoid the need for further change at a later date, however the Cabinet Office training on the Act, which will be essential to the development of new policies and procedures, is set to commence in late April 2024. Whilst work has commenced on these areas policies and procedures cannot be finalised until the training has taken place. The areas we are currently working on which need to be informed by legislation are:

- Revision of financial and supplier due diligence to ensure we are giving due regard to ensuring we are not preventing small and medium enterprises from being able to win Council contracts and that we are taking into account any changes made by Cabinet Office to their Financial Viability Risk Assessment (FVRA) Tool. We will develop a range of financial check options that are proportionate to the contract, taking into account involvement of parent companies and ultimate parent companies, contract risk assessment, bonds / guarantees, ongoing monitoring of financial standing, D&B Finance Analytics reports and tracking, Companies House information, accounts and relevant financial information provided by supplier, along with formal mechanisms for raising concerns with the relevant department and Section 151 Officer.
- Whilst the revised financial assessment process is being developed training has been carried out with the Commercial Services team to ensure consistency of due diligence checking across the tendering and waiver processes, this includes reinforcing the need to carry out checks on parent / ultimate parent companies, involvement of Finance in respect of the inclusion of bonds / guarantees and additional finance checks where necessary and review of Companies House information.
- Development of our contract tiering/ risk tool to establish both procurement and subsequent contract management risks, which will inform the procurement route to market and level of contract management required. Under the Procurement Act there will be requirements for the Council to publish information on our decision making around routes to market and post award in respect of supplier performance, a full understanding of these requirements is important in ensuring we have address all potential risks in a fair and proportionate manner and are not creating barriers to participation for small and medium enterprises.

- 2.8 As set out at 2.2 above resources are being put in place within the Commercial Services team to support pre-procurement decision making and contract management activities and provide greater oversight of contract compliance (e.g., provision of business continuity and exit management plans, insurances, annual accounts etc.).
- 2.9 To support contract management a Contract management Toolkit is being developed, each toolkit will be individual to the contract, ensuring that any specific risks and issues are flagged to the Contract Manager and they how to deal with them.
- 2.10 We are planning to carry out a pilot 'Health of our Contracts' project which will give us insight and assurance around how our contracts are being managed.
- 2.11 Underpinning all of this activity will be a suite of policies, procedures, guidance and training materials to support implementation of the changes.

3. Financial Opportunities and Implications

- 3.1 Financial opportunities and implications relate to mitigation of financial risk, including supplier and contract failure within external contracts.

4. Legal Implications

- 4.1 Changes to Council procurement and contract management processes and procedures must comply with public contracts legislation. For example financial checks must be proportionate to the supplier market, nature, value and risk of the contact and cannot create barriers to participation for small and medium enterprises or new businesses.

5. Engagement and Consultation

- 5.1 Staff across the Council and its wholly owned companies have been involved in informing the changes made through the transforming procurement programme.
- 5.2 As part of the transformation procurement programme current and potential suppliers will be consulted on proposals for revised processes and documents, including new financial check processes as and when they are developed.

6. Purchasing or Hiring of Goods and/or Services

- 6.1 This report relates to processes and procedures that have been or will be put in place by the Council to support the effective procurement and management of external contracts. There is no requirement to consider social value specifically within the proposals.

7. Tackling Climate Change

- 7.1 This report relates to processes and procedures that have been or will be put in place by the Council to support the effective procurement and management of external contracts. There is no requirement to consider carbon reduction specifically within the proposals.

8. Associated Risks

- 8.1 If the proposals are not implemented there is risk that contracts will be awarded without appropriate due diligence checks being which may result in supplier or contract failure.

9. Equality Impacts - Identify the potential positive and negative impacts on specific groups

	Positive Impact	Negative Impact & Mitigating Actions	Neutral Impact
Older or younger people			There is no differential impact
People with caring Responsibilities			There is no differential impact
People with a disability			There is no differential impact
Women or men			There is no differential impact
People who are black or from a minority ethnic background (BME) (Please note Gypsies / Roma are within this community)			There is no differential impact
Religion or belief (including lack of belief)			There is no differential impact
People who are lesbian, gay or bisexual			There is no differential impact
People who are transgendered			There is no differential impact
People who are in a marriage or civil partnership			There is no differential impact

Women who are pregnant / on maternity leave			There is no differential impact
Socio-economic impacts (Including impact on child poverty issues and deprivation)			There is no differential impact
Public Health impacts (How will your proposal impact on the general health of the population of Torbay)			There is no differential impact

10. Cumulative Council Impact

10.1 None

11. Cumulative Community Impacts

11.1 None

Meeting: Review of Council Procurement Policies and Food and Music Festival

Date: 3 April 2024

Wards affected: All Wards

Report Title: Revised Contract Procedures

When does the decision need to be implemented? n/a

Cabinet Member Contact Details: Councillor Jackie Thomas, Cabinet Member for Culture, Tourism & Events and Corporate Services, jackie.thomas@torbay.gov.uk

Director Contact Details: Malcolm Coe, Director of Finance, malcolm.coe@torbay.gov.uk

1. Purpose of Report

1.1 This report sets out the key changes to Contract Procedures which were approved by Council on 22 February 2024 and will come into effect on 01 April 2024.

2. Reason for Proposal and its benefits

- 2.1 The Procurement Act 2023 is expected to come into force in October 2024 and the Health Services (Provider Selection Regime) Regulations 2023 came into force on 01 January 2024. These new regulations alongside secondary legislation and the National Procurement Policy Statement fundamentally change the way in which public procurement is undertaken.
- 2.2 Through the Council's transforming procurement programme a comprehensive review of current Council commercial procedures and practice was undertaken, the existing procedures were deemed to hamper effective procurement and would not enable ongoing compliance with new legislative and policy requirements.
- 2.3 Feedback from colleagues across the Council, its wholly owned companies and the Commercial Services team identified the prescriptive nature of Contract Procedures and in particular the procurement spend thresholds as the most significant barriers to effective and efficient procurement. Impacting on our ability to ensure best value and the engagement of local suppliers.

2.2 The revised Contract Procedures provide a framework, underpinned by policy and guidance, will deliver the following benefits:

- Creating a simpler and more flexible commercial system that better meets the Council's needs and enables the Council to meet its obligations under the existing and future regulatory framework for public procurement;
- Providing a simpler, more transparent and flexible approach to spending money that is based on what we are buying, the associated risks and optimal route to achieving best value from our spend.
- Opening up public procurement to new entrants such as small businesses and social enterprises so that they can compete for and win more public contracts. Creating greater opportunities for local businesses, small and medium enterprises and the voluntary and community sector to do business with the Council. The range of procurement options within the proposed £25,001 to regulated threshold will allow us to direct opportunities for higher value contracts to pre-selected local suppliers, which under the current system would have to go to the open market.
- Improving levels of transparency on all aspects of decision making in relation to the award of contracts – not just the decision on who we award the contract to, but also around the decision to purchase externally and the route to market chosen. Enabling how we spend public money to be properly scrutinised and for the Council to be held to account.
- Improving our decision making, procurement and contract management practices to ensure we deliver best value and best outcomes for our residents;
- Delivering consistent (but not uniform) capability which promotes innovation and community partnership;
- Enabling tougher action to be taken on underperforming suppliers and exclusion of suppliers who pose unacceptable risks, through more effective contract management and the use of mechanisms being put in place by government for this purpose; and
- Revised spend thresholds will enable staff (once trained) to put lower value / lower risk contracts in place without the need for hands-on procurement officer support, this will allow the Commercial Services Team to focus resources on the higher value / more complex contracts.
- Making the way in which we spend money “everyone’s business”.

3. Recommendation(s) / Proposed Decision

1. There is no decision required.

Background Documents

[Agenda for Overview and Scrutiny Board on Wednesday, 5 July 2023, 5.30 pm \(torbay.gov.uk\)](#)

1. Introduction

- 1.1 The current version of Contract Procedures was put in place in 2015 following the implementation of the Public Contracts Regulations 2015.
- 1.2 Contract Procedures are directly aligned to the Public Contracts Regulations, they do not provide the flexibility to enable the Council to meet its obligations under the Health Services (Provider Selection Regime) Regulations 2023 (which came into force on 01/01/2024) or the Procurement Act 2023 (which is due to come into force in October 2024).
- 1.3 A review of Contract Procedures with staff across the Council, its wholly owned companies and the Commercial Services team was undertaken as part of the Council's procurement transformation programme. a number of issues with the procedures were identified:
 - The are written from a legal perspective, with some aspects being difficult for staff to properly understand.
 - The requirements are prescriptive and inflexible, hampering the ability to put contracts in place in the most efficient or effective manner or quickly where an urgent need is identified.
 - Procurement thresholds limit options for accessing the most suitable markets for the goods, services or works being purchased and cause unnecessary delays when a contract is required quickly.
 - Opportunities to better engage with local suppliers are limited to very low value spend.
- 1.4 Following the enactment of the Procurement Act 2023 (expected in October 2023) the Public Contracts Regulations will continue to apply to all contracts put in place under that regime, meaning Contract Procedures need to be sufficiently flexible to enable compliance with both sets of regulations and also with the Health Services (Provide Selection Regime) Regulations 2023 and the secondary legislation that will be put in place to underpin the Procurement Act.
- 1.5 Some minor amendment may be required to specifically reference the Procurement Act 2023 when it is enacted.

2. Options under consideration

2.1 Key changes to Contract Procedures are:

Revised Contract Procedures	Old Contract Procedures
Less detailed – sets out the framework and principles for how we will spend externally	Overly detailed and prescriptive – describes in detail how we will do everything
Detail will sit within policy and guidance, enabling us to respond more quickly to changes	Inflexible and leads to delays in making changes
Language more straightforward and easier to understand	Legalistic wording – complicated, confusing and hard to interpret
Order of information has been amended to improve flow and understanding, reducing duplication and the risk of contradiction	Order of information mirrors procurement process – resulting in duplication
<p>3 procurement procedure thresholds, with flexibility to use the most appropriate route to market based on risk, value, complexity, market capacity and urgency:</p> <ul style="list-style-type: none"> • Up to £25,000 • £25,001 to regulated threshold • Above regulated threshold 	<p>5 procurement procedure thresholds, with prescriptive options restricting choice and ability to react to market capacity or urgency of a requirement:</p> <ul style="list-style-type: none"> • Up to £4,999 • £5,000 to £25,000 • £25,001 to £50,000 • £50,001 to regulated threshold • Above regulated threshold

2.2 There are a range of procurement procedure options available for spend between £25,000 and the regulated threshold. The option selected will be as advised by the Commercial Services team, taking into account the level of risk, value, complexity, supplier market and urgency of the contract.

2.3 These thresholds have been set following consultation with colleagues across the Council and its wholly owned companies to meet a diverse range of needs, open up greater opportunity to local SMEs, ensuring the most effective and efficient route to market is used, whilst maintaining compliance with procurement legislation.

Revised Procurement Procedure Thresholds		Old Procurement Procedure Thresholds	
Up to £25,000	<p>Where the requirement is not complex and can be assessed purely on the basis of price or price and simple quality requirements:</p> <ul style="list-style-type: none"> Obtain at least one written quote. To ensure best value quotes should be requested from a minimum of three Suppliers; Wherever possible, this should include two Torbay based Suppliers. <p>Where award of the Contract is subject to complex quality requirements one of the options from £25,001 to Threshold should be used.</p>	Up to £4,999	Obtain one written quotation. To ensure best value, good practice is to obtain more than one quote
		£5,000 to £25,000	<ul style="list-style-type: none"> Obtain quotes from Torbay based economic operators through the SupplyDevon hub, or where there are no Torbay based economic operators those that are based in Devon. Where there are no local businesses on the SupplyDevon hub capable of meeting the need request quotes either by post or email from minimum of three preselected economic operators. Wherever possible at least one of these should be a local SME or VCSE (refer to paragraph J Definitions for the definition of local). Retain written evidence to demonstrate the economic operator selected offers best value.
£25,001 to Regulated Threshold	<p>The most appropriate option from the following:</p> <ul style="list-style-type: none"> Informal or formal written quotes from at least three Suppliers by email, wherever possible this should include two Torbay based Suppliers; Informal or formal written quotes through the SupplyDevon hub, targeting Torbay based Suppliers; Request for quote from at least three Suppliers through the Council's e-tendering portal, wherever possible this should include two Torbay based Suppliers; Open invitation to tender through the Council's e-tendering portal; Call-off from an established framework or dynamic purchasing system; Call-off from an approved standing list; Direct award to a company wholly owned by the Council or jointly owned with other contracting authorities where best value is demonstrated; Direct award to another contracting authority where best value is demonstrated; Direct award where it can be clearly demonstrated that only one Supplier can meet the need (refer to the Commercial Policy and guidance for the 	<ul style="list-style-type: none"> £25,001 to £50,000 	<ul style="list-style-type: none"> Request for quote process undertaken through the SupplyDevon hub targeting Torbay based economic operators, or where there are no Torbay based economic operators those that are based in Devon. Procurement process to be run in accordance with these Procedures, using the Council's standard request for quote templates. Where there are no local businesses on the SupplyDevon hub capable of meeting the need, offer the opportunity to a minimum of three preselected economic operators. Wherever possible at least one must be a local SME or VCSE (refer to paragraph J Definitions for the definition of local). Procurement process to be run in accordance with these Procedures, using the Council's standard tender templates and through the e-tendering portal.
		£50,001 to Regulated Threshold	<ul style="list-style-type: none"> Advertised invitation to Tender using the Council's e-tendering portal and advert on Contracts Finder. Procurement process to be run in accordance with these Procedures using the

Revised Procurement Procedure Thresholds		Old Procurement Procedure Thresholds	
	specific circumstances under which a direct award can be considered).		Council's standard below threshold tender templates. <ul style="list-style-type: none"> • Procurement process to be run in accordance with the Public Contract Regulations in certain aspects.
Above Regulated Threshold	<ul style="list-style-type: none"> • Advertised invitation to tender through the Council's e-tendering portal; • Call-off from an established framework or dynamic purchasing system; • Direct award to a company wholly owned by the Council or jointly owned with other contracting authorities where the conditions set out in the Regulations permitting a direct award are met and best value is demonstrated; • Direct award to another contracting authority where the conditions set out in the Regulations permitting direct are met and best value is demonstrated. 	Above Regulated Threshold	<ul style="list-style-type: none"> • Advertised invitation to Tender, using the Council's e-tendering portal, and adverts on Find a Tender and Contracts Finder. • Procurement process to be run in accordance with these Procedures and the Public Contract Regulations using the Council's standard above threshold tender templates.

2.4 Regulated thresholds are reviewed and updated biennially by Government, the current thresholds came into effect on 01 January 2024 with the next update due in January 2026.

Type of Contract	01/01/2024 – 31/12/2025
Supplies and Services	£214,904
Services under the Light Touch Regime	£663,540
Works	£5,372,609
Concessions (services and works)	£5,372,609

3. Financial Opportunities and Implications

3.1 Financial opportunities and implications relate to achievement of best value across all external spend and mitigation of financial risk, including supplier and contract failure within external contracts.

4. Legal Implications

4.1 Changes to Council procurement and contract management processes and procedures must comply with public contracts legislation. For example the processes financial checks must be proportionate to the supplier market, nature, value and risk of the contact and cannot create barriers to participation for small and medium enterprises or new businesses.

5. Engagement and Consultation

- 5.1 Staff across the Council and its wholly owned companies have been involved in informing the changes made through the transforming procurement programme.
- 5.2 As part of the transformation procurement programme current and potential suppliers will be consulted on proposals for revised processes and documents, including new financial check processes as and when they are developed.

6. Purchasing or Hiring of Goods and/or Services

- 6.1 This report relates to processes and procedures that have been or will be put in place by the Council to support the effective procurement and management of external contracts. There is no requirement to consider social value specifically within the proposals.

7. Tackling Climate Change

- 7.1 This report relates to processes and procedures that have been or will be put in place by the Council to support the effective procurement and management of external contracts. There is no requirement to consider carbon reduction specifically within the proposals.

8. Associated Risks

- 8.1 If the proposals are not implemented there is risk that contracts will be awarded without appropriate due diligence checks being which may result in supplier or contract failure.

9. Equality Impacts - Identify the potential positive and negative impacts on specific groups

	Positive Impact	Negative Impact & Mitigating Actions	Neutral Impact
Older or younger people			There is no differential impact
People with caring Responsibilities			There is no differential impact
People with a disability			There is no differential impact
Women or men			There is no differential impact
People who are black or from a minority ethnic			There is no differential impact

background (BME) (Please note Gypsies / Roma are within this community)			
Religion or belief (including lack of belief)			There is no differential impact
People who are lesbian, gay or bisexual			There is no differential impact
People who are transgendered			There is no differential impact
People who are in a marriage or civil partnership			There is no differential impact
Women who are pregnant / on maternity leave			There is no differential impact
Socio-economic impacts (Including impact on child poverty issues and deprivation)			There is no differential impact
Public Health impacts (How will your proposal impact on the general health of the population of Torbay)			There is no differential impact

10. Cumulative Council Impact

10.1 None

11. Cumulative Community Impacts

11.1 None