

Council

Adoption of Joint Contract Procedure Rules and Financial Procedure Rules

17 December 2012

Report of Head of Law and Governance

PURPOSE OF REPORT

The purpose of this report is to enable Council to adopt a common set of Contract Procedure Rules and Financial Procedure Rules with South Northamptonshire Council in order to ensure that the joint procurement and accountancy teams are working to a common set of rules and procedures and to mitigate the risk arising from having different procedural rules at the two Councils.

This report is public

Recommendations

Council is recommended, subject to South Northamptonshire Council resolving in similar terms at its meeting on 19 December 2012, to:

- (1) Adopt the joint Contract Procedure Rules at Appendix 1.
- (2) Adopt the joint Financial Procedure Rules at Appendix 2.

Details

- 1.1 At its October meeting Council resolved to adopt a common scheme of officer delegation so that members of the Joint Management Team operate under similar delegation arrangements at both this council and South Northamptonshire Council. It was indicated in the officer report for that item that the second stage of the constitutional review undertaken under the auspices of the Joint Arrangement Steering Group, namely the proposed adoption of joint Contract Procedure Rules and Financial Procedure Rules, would be reported to this meeting.
- 1.2 Relevant officers, including the Statutory section 151 and Monitoring Officers, have been working in association with an external legal advisor to draft the two sets of procedure rules so as to ensure, as far as possible, a common approach

across both Councils and, where there were differences in approach previously, the selection of the better practice alternative moving forward.

- 1.3 The proposed new joint Contract Procedure Rules and Financial Procedure Rules are at Appendix 1 and Appendix 2 respectively. Both documents are endorsed by the Director of Resources as Section 151 Officer and are accordingly brought to this meeting for formal adoption. A similar report is being taken to the meeting of South Northamptonshire Council on 19 December 2012 and, subject to South Northamptonshire Council resolving in similar terms, it is recommended that the new sets of rules come into effect on 20 December 2012.
- 1.4 The new rules have been brought forward under the auspices of the Constitutional Review which has been undertaken by the Head of Law and Governance on behalf of the Joint Arrangements Steering Group. Although it had been intended to seek a formal recommendation from the JASG for Council to adopt the appended rules, this has not proved possible due to the cancellation of the proposed JASG meeting on 22 November 2012 as a result of inclement weather.

Conclusion

- 1.5 Council is recommend, subject to South Northamptonshire Council resolving in similar terms at its forthcoming meeting, to adopt the joint Contract Procedure Rules and Financial Procedure Rules appended to this report with effect from 20 December 2012.

Key Issues for Consideration/Reasons for Decision and Options

- 2.1 The following options have been identified. The approach in the recommendations is believed to be the best way forward.

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| Option One | To accept the recommendations. |
| Option Two | To amend the procedure rules as Council sees fit prior to formal adoption. This is not recommended as the documentation attached has been endorsed by the Section 151 Officer. |
| Option Three | To adopt one set of procedure rules and not the other. This is not recommended as it is essential that the relevant teams of officers who work on behalf of both this Council and South Northamptonshire Council are following similar procedures and rules moving forward. To have separate procedure rules at each Council would significantly increase the risk of misapplication of appropriate procedures and the taking of unlawful decisions. |
| Option Four | Not to adopt either set of joint procedure rules. This is not recommended for the reasons set out in Option Three. |

Consultations

Financial

Relevant officers in the Procurement and Accountancy teams, as well as the Section 151 Officer have contributed to the drafting of the new procedure rules. They are accordingly endorsed for adoption.

Comments checked by Karen Curtin – Head of Finance and Procurement – 0300 003 0106

Legal

It is necessary for the Council to include in its Constitution the appropriate procedure rules covering procurement and financial matters. The Monitoring Officer strongly endorses a common approach across both Councils in order to mitigate the risk of misapplication of appropriate rules/procedures and potentially unlawful decision taking.

Comments checked by Kevin Lane - Head of Law and Governance – 0300 003 0107

Risk Management

The adoption of common procedure rules across both Councils significantly mitigates the risk of misapplication of procedures/rules and unlawful decision taking.

Comments checked by Karen Curtin - Head of Finance and Procurement – 0300 003 0106

Document Information

Appendix No	Title
1	Joint Contract Procedure Rules
2	Joint Financial Procedure Rules
Background Papers	
None	
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