

Attendance

Members of the Special Advisory Group

Cllr Andrew Johnson (Chair)
Cllr Roger Lawrence
Cllr Rita Potter
Cllr John Reynolds
Cllr Stephen Simkins
Cllr Paul Singh
Cllr Tersaim Singh
Cllr Paul Sweet
Cllr Wendy Thompson

Employees

Peter Farrow	Head of Audit
Dereck Francis	Democratic Support Officer
Keith Ireland	Managing Director
Andy Moran	Head of Procurement

Part 1 – items open to the press and public

Item No. *Title*

1 **Apologies for absence**

No apologies for absence were received for the meeting.

2 **Declarations of interests**

No declarations of interests were made.

3 **Minutes of the previous meeting (20 October 2015)**

Resolved:

That the minutes of the meeting held on 20 October 2015 be approved as a correct record and signed by the Chair.

4 **Matters arising**

There were no matters arising from the minutes of the previous meeting.

5 **Contract Procedure Rules Update**

Andy Morgan, Procurement Manager outlined proposed changes to the Council's Contract Procedure Rules. The Procedure Rules document had been updated as a result of the implementation of new European Public Procurement Directives and associated UK Public Contracts Regulations to ensure the Council's procurement activity complied with the relevant legislation.

During the ensuing discussion, Cllr Wendy Thompson sought clarification on whether there would be guidelines for the 'social value' element in contracts with a value above £100,000. The Head Procurement reported that 'employability' and 'Care Leavers/Looked After Children' had been agreed as the criteria. In noting the criteria, Cllr Wendy Thompson commented that obtaining value for money on a contract should always be a consideration.

Cllr Andrew Johnson asked for a further change to the section in the Procurement Rules relating to 'Concessions and Revenue Earnings Contracts' to include 'any contract with a strategic or important risk for the Council' should require approval from Cabinet (Resources) Panel'. He also suggested that the Official Journal European Union (OJEU) limit should apply and that the word 'potential' should be deleted. He also commented that exemptions from compliance with the Contract Procedure Rules should be reported to Cabinet (Resources) Panel, setting out any action taken on exemptions in the previous quarter.

Cllr Stephen Simkins asked about of the evaluation process for contracts up to £10,000, as he believed that the lowest price would not always be the best. The Head of Procurement advised that technical criteria would be applied. Contract management would be the means by which the Council would hold a successful contractor to account against the contract. Contract management was the next area of work for the Procurement Team.

Cllr John Reynolds commented that the Federation of Businesses were keen on the proposed development of an online quotation system for low value contracts (less than £50,000). He suggested that a high profile event be arranged to launch the proposal as well as highlight the dedicated website 'buywolverhampton.gov.uk'. The Head of Procurement reported that the system was currently being tested and a full launch would be arranged in 2016. Opportunities would be opened up for Small Medium Enterprise local businesses to be awarded council contracts.

Referring to paragraph 1.4 of the Procedure Rules, Cllr Tersaim Singh suggested that the second sentence appeared to contradict the first point that all contracts must be in writing.

Cllr Stephen Simkins asked about the protection for the Council that had been built into the Procedure Rules for social care contracts. The Procurement Manager advised that the same Procurement Rules would apply and that it would come down to the contract management.

Cllr John Reynolds suggested that changes in the exchange rate be built into the Procedure Rules to avoid the need to seek approval to revised limits. The Procurement Manager reported that the limits would change in January 2016 and would then be fixed for a two year period.

At the end of the discussion it was agreed that drafting amendments be made to the Contract Procedure Rules and the amended document be submitted to Full Council for approval.

Resolved:

That Full Council be recommended to approve the Contract Procedure Rules, as now amended for inclusion in the Council's Constitution.

6

Audit and Risk Committee

In line with best practice and to help emphasise the importance placed on the role of risk management in its work, the Committee considered renaming the Audit Committee to the Audit and Risk Committee.

Resolved:

That Full Council be recommended to approve the renaming of the Audit Committee to Audit and Risk Committee.