

REPORT OF Procurement Officer
To: SMT & Audit & Governance & Full Council
Subject: Amendment of Contract Procedure Rules – Procurement Thresholds
Date: 10/01/25 Reference:

PURPOSE OF REPORT:

Re-write of the current Contract Procedure Rules including the amendment of the procurement internal thresholds values to facilitate the implementation of the Procurement Act 2023.

1. INTRODUCTION

The Contract Procedure Rules set out the council's rules on how it procures (purchases) goods, services and works. The current version was drafted and maintained to follow the Public Contracts Regulations 2015.

The CPR's have undergone several minor changes over time, and procurement has changed significantly since the Public Contracts Regulations 2015 were instated.

On 24 February 2025, the most significant changes to public procurement will take place with the implementation of the Procurement Act 2023. The Legislation is a direct response to the withdrawal of the United Kingdom from Europe and therefore has more focus on alignment with national UK policy.

It will embed transparency throughout the commercial lifecycle and open up public procurement to new entrants such as small business and social enterprise. The act brings a significant increase in the number of notices contracting authorities must publish compared to the old regulations – 17 in total. The notices will cover every stage of procurement, including sensitive issues such as payments, contract modifications and supplier performance. This will allow the public to track contracts throughout their lifecycle from planning stage to contract award, any modifications, quality of delivery and expiry/termination.

To mitigate some of the additional administration of this new regime and having limited resources, we are proposing to increase the internal procurement threshold values in line with other District Councils and a recommendation from Devon County Council, whom recently reviewed them.

2. REPORT

The rationale behind this is, not making the procurement process onerous and making sure the focus is on the high value high risk procurements where the maximum impact can be made. Counter to this is that we are spending tax payers money and need to demonstrate VFM. It also ensures a level of transparency and competition which is important in these times of financial constraint. The Act is seeing Councils moving towards increasing the internal thresholds for e-tendering and aligning with the current contracts finder and new notices going forward.



The following are the current thresholds and the proposed thresholds (in blue) for consideration by Members:-

Total Value (excl. VAT)	Current Award Procedure	Total Value (inc. VAT)	Proposed Award Procedures
Up to £10,000	A minimum of one Quotation, but good practice to seek most favourable prices and terms.	£1 to £30,000	A minimum of one quotation, but good practice to seek further quotes. Must seek local suppliers where possible
£10,001 - £50,000	A minimum of three written Quotations. Wherever practical the Council's E-Procurement Portal (Pro Contract) should be used to solicit quotations	£30,001 - £100,000	A minimum of three formal Requests for Quotation (RFQ) via the Council's e-tendering portal or use of a compliant framework. Must seek at least 2 local suppliers where possible
£50,001– Government Procurement Agreement (GPA) Threshold ****	Invitation to Tender by advertisement or select list and use of e- procurement portal (Pro Contract)	£100,001 – GPA Threshold	Invitation to Tender by advertisement, select list via the Council's e-tendering portal or use of a compliant framework. A minimum of 4 suppliers to be invited to tender if using a select list. Must seek at least 2 local suppliers where possible. All purchases made via a local authority purchasing and distribution consortium are deemed to comply with these Contract Procedure Rules and no waiver is required. However, purchases above the GPA Threshold must be let in accordance with Open Procedure or Competitive Flexible Procedure, unless the consortium has satisfied this requirement already.
Above GPA Threshold	FTS Procedure or, where this does not apply, Invitation to Tender by Advertisement.		Procurement in accordance with the Open Procedure or Competitive Flexible Procedure or via use of a compliant framework.
£50,001 – GPA Threshold	All purchases made via a local authority purchasing and distribution consortium are deemed to comply with these Contract Procedure Rules and no waiver is required. However, purchases above the FTS Threshold must be let under the FTS Procedure, unless the consortium has satisfied this requirement already.	£100,001 – GPA Threshold	Included above so can be removed



All values. Collaborative Contracts	The Section 151 Officer must be consulted prior to commencing any procurement using collaborative contracts. The terms and conditions of Contract applicable to any collaborative Contract, including the requirement to undertake competition between providers, must be fully complied with.		
All values. ICT	All system developments and purchases of computer equipment or software must be approved by the ICT Manager or designated deputy and awarded in line with these Rules.		Remove as ICT is covered by the rules above.

3. IMPLICATIONS

Legal Implications

N/A

Financial Implications

The financial implications are detailed within the report

Human Resources Implications

None

Sustainability/Biodiversity Implications

N/A

Equality/Diversity

There are no equality/diversity implications.

Risk Management

None

Compliance with Policies and Strategies

The report is written with reference to the Councils requirement to update its Contract Procedure Rules in line with the new Procurement Act 2023

Data Protection (GDPR) Implications

N/A

Climate Change

None



Ward Member and Lead Member Views
Date of Consultation -

4. CONCLUSIONS

The Contract Procedure Rules as amended need updating to reflect the new Procurement Act 2023 and this will mitigate some of the additional administration of this new regime with the Council having limited resources.

5. RECOMMENDATIONS

It is recommended that the members approve the revised revisions to the Contract Procedure Rules detailed in the report.

SUPPORTING INFORMATION

Consultations:	Date of Consultation – Officers Consulted –Finance Manager & Major Projects Manager
Contact Officer:	Luan Stapley
Background Papers:	Appendix A – Benchmarking exercise

