

ESPO FINANCE AND AUDIT SUBCOMMITTEE – 12 FEBRUARY 2025

CONTRACT PROCEDURE RULES RELATING TO THE PROCUREMENT ACT 2023

REPORT OF THE DIRECTOR

Purpose of the Report

1. The purpose of this report is to seek approval from the Finance and Audit Sub-Committee for the submission of the Contract Procedure Rules (CPRs) relating to the Procurement Act 2023 (the Act).

Background

2. The Act is set to come into effect on 24 February 2025. Leicestershire County Council and ESPO have developed a new single set of CPRs which will govern procurements commencing from this date onwards.

Body of the Report

3. Public procurement in the UK has to date been governed by the Public Contracts Regulations 2015 (2015 Regulations). However, the 2015 Regulations will be replaced by the Act, which takes effect on 24 February 2025 and introduces new procurement rules. Procurements initiated on or after this date will be regulated by the Act, while those commenced before this date will continue under the 2015 Regulations until all contracts awarded under them have expired, including any modifications.
4. Amendments to the CPRs governing procurements under the 2015 Regulations were approved by the Management Committee on 13 November 2024. These CPRs will remain in force until all contracts under the 2015 Regulations have expired, including any modifications to such contracts.
5. Procurement and legal teams from Leicestershire County Council and ESPO, with external legal support, have collaborated to draft a single set of CPRs applicable to both organisations. These new CPRs will govern procurements commencing on or after 24 February 2025, in compliance with the Act.
6. A copy of these draft CPRs, effective from 24 February 2025, is attached as Appendix A to this report.
7. The proposed rules have been reviewed and supported by ESPO's Director, Assistant Director of Procurement and Commercial, Head of Procurement and Compliance and ESPO's Commercial Solicitor.

8. Leicestershire County Council presented these rules to the County Council's Corporate Governance Committee on 24 January 2025. That Committee has recommended that the full County Council approves the rules at its meeting on 19 February.
9. The approval of the CPRs, as set out in the Constitution, is the responsibility of the Management Committee. However, the Management Committee will not meet until 19 March 2025, which is after the Act takes effect. As such, the Management Committee, at its meeting on 13 November 2024, agreed to delegate the authority to the Finance and Audit Sub-Committee. The Sub-Committee is to review and approve the new CPRs at its next meeting on 12 February 2025 to ensure compliance with new the Act.
10. As a result, two sets of CPRs will apply simultaneously: (1) for procurements initiated before 24 February 2025 and (2) for those starting on or after this date under the Act.
11. If the Finance and Audit Sub-Committee approves the draft CPRs at its meeting on 12 February 2025, they will be published on ESPO's intranet and internet sites. They will also be communicated to all relevant managers and staff via newsletters within ESPO, and other appropriate communication channels.

Resources Implications

12. There are no resource implications arising from this report.

Recommendation

13. It is recommended that the Finance and Audit Sub-Committee approves CPRs, detailed at Appendix A, which govern procurements under the Act.

Equality and Human Rights Implications

14. The Rules ensure that all suppliers and potential suppliers receive equal treatment when bidding for contracts.

Background Papers

15. Management Committee Report – 13 November 2024.

Appendices

16. Appendix A - the draft CPRs to be effective from 24 February 2024.

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