



CORPORATE GOVERNANCE COMMITTEE – 23 JANUARY 2026

CHANGES TO THE CONTRACT PROCEDURE RULES

JOINT REPORT OF THE DIRECTOR OF CORPORATE RESOURCES AND THE DIRECTOR OF LAW AND GOVERNANCE

Purpose of the Report

1. The purpose of this report is to provide an overview of the forthcoming changes to the Contract Procedure Rules, and to recommend that these be approved by the County Council.

Background

2. In January 2025, the Corporate Governance Committee approved the new Contract Procedure Rules to align with the Procurement Act 2023 which came into force on 24 February 2025.
3. Rule 8 (Annual Reporting) of the Council's Contract Procedure Rules stipulates that the Director of Corporate Resources, in consultation with the Director of Law and Governance, shall submit a report to the Corporate Governance Committee to set out any proposed revisions to the Rules and/or changes required to accommodate the requirements of UK and EU procurement law, as may be necessary from time to time.
4. Following consideration by the Committee, the revised Contract Procedure Rules will be submitted to the County Council in February 2026 for approval.

Proposals regarding the Contract Procedure Rules

5. Notable changes to the Contract Procedure Rules – Procurement Act 2023 include:
 - a. Financial thresholds for procurement processes have been updated to reflect inflation and regulatory changes. The amended version clarifies VAT inclusion and the requirement for notices at specific value points.
 - b. Introduced at 5.14 the requirement for contracts that are intended to be longer than 5 years must have prior approval from the Director of Corporate Resources or Deputy S151 Officer.

- c. Inclusion of the term and meaning of Corporate Procurement Board into the glossary.
 - d. Clarification included that capitalised terms have specific meaning and the glossary of definitions should be referred to for meaning.
 - e. Inclusion of signposting to toolkit guidance to be used alongside these rules.
 - f. Clarification included at 9.4.3 to the preliminary market engagement notice requirements.
 - g. Change to 21.5 to exclude Procurement Board for Direct Awards for switching in relation to light touch contracts.
 - h. Inclusion at 21.7 for approach to below threshold for Direct Awards.
 - i. Clarification included at 38.3 “The Council encourages the inclusion of KPIs in light touch contracts where appropriate, to support effective contract management and service delivery. However, there is no statutory requirement under the Procurement Act 2023 for these KPIs to be published.”
6. The changes to the Rules are supported by the Director of Law and Governance and the Director of Corporate Resources and will be presented to the County Council in February for approval, subject to this Committee’s agreement.
7. Should the County Council approve the revised Contract Procedure Rules the new Rules will come into force immediately and will be published on the Council’s internet and intranet sites and communicated to all relevant managers and staff within the Council as appropriate.

Future reporting arrangements

8. The Contract Procedure Rules will be reviewed annually or in line with any necessary legislation changes and will be presented to Corporate Governance Committee for approval.

Equality Implications

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

Human Rights Implications

10. The Rules will ensure that all procurements consider human right implications before commencing. There are no human rights implications associated with this report.

Recommendations

11. It is recommended that the Committee endorses the revised Contract Procedure Rules and recommends their approval by the County Council.

Background Papers

The Constitution of Leicestershire County Council

<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=1187&MId=7661&Ver=4&Info=1>

Circulation under the Local Issues Alert Procedure

None

Appendices

Appendix A – Contract Procedure Rules for the Procurement Act 2023 v2.

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