

 FINANCE & AUDIT SCRUTINY COMMITTEE 3rd NOVEMBER 2015		Agenda Item No. 5
Title	Finance Contracts Register consideration by Finance & Audit Scrutiny Committee	
For further information about this report please contact	Mike Snow Head of Finance Tel: 01926 456800	
Wards of the District directly affected	N/A	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	N/A	
Background Papers		

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No
Equality Impact Assessment Undertaken	No

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	21/10/2015	Andy Jones
Head of Service	21/10/2015	Mike Snow
CMT		
Section 151 Officer	21/10/2015	Mike Snow
Monitoring Officer	21/10/2015	Andy Jones
Finance	21/10/2015	Sue Simmonds
Portfolio Holder(s)	21/10/2015	Peter Whiting
Consultation & Community Engagement		
Insert details of any consultation undertaken or proposed to be undertaken with regard to this report.		
Final Decision?	Yes/No	
Suggested next steps (if not final decision please set out below)		

1. **Summary**

- 1.1 This report sets out the process for the review by Finance & Audit Scrutiny Committee of the Finance Contracts Register.

2. **Recommendation**

- 2.1 That Finance & Audit Scrutiny Committee should review the Finance Contracts Register attached at Appendix 1 and make observations on it as appropriate.

3. **Reasons for the Recommendation**

- 3.1 The review of Finance Contract Register allows members of the Finance and Audit Scrutiny Committee the opportunity to consider the robustness of the register, make appropriate suggestions on how the register could be improved, and consider the document within the context of promoting sound procurement practice across the Council.

4. **Policy Framework**

- 4.1 **Policy Framework** – Under the Council’s Code of Procurement Practice, details of all contracts for the supply of goods, services and supplies should be held on the Council’s central Contracts Register. The Code also states the tender process to be used by officers when procuring goods and services.
- 4.2 **Fit for the Future** – By following the Council’s Code of Procurement Practice in procuring goods, services and supplies, officers will be contributing to the Council’s vision, and key policy priorities included within the Sustainable Community Strategy. The following specific benefits should arise:-
- The Council will be sure it is obtaining value for money from its expenditure, in the provision of all its services for local council tax payers.
 - Opportunities will be given to local employers to tender for Council contracts, thus contributing to the Prosperity Agenda.
 - It will be demonstrable that the Council, and officers, are operating fairly, in an open and transparent manner.

5. **Budgetary Framework**

- 5.1 There are no direct budgetary implications arising from this report. All of the Council’s expenditure should be made in accordance with the requirements of the Council’s Code of Procurement Practice. This should help the Council to ensure that it achieves value for money from its expenditure through the correct tendering of contracts, and the subsequent management of those contracts.

6. **Risks**

- 6.1 It is important that all procurement across the Council complies with the relevant procurement regulations and directives and also the Council’s Code of Procurement Practice. By following this approach the Council will reduce the risk of challenge.
- 6.2 Contract Management is an important element of procurement. Contracts need to be properly managed to ensure compliance with the contract, whilst considering all relevant aspect that may affect the performance of the contract.

Also, it is important that contract managers pro-actively plan ahead to ensure the procurement of future contracts is properly managed.

7. Alternative Option(s) considered

7.1 This report is not concerned with recommending a particular option in preference to others so this section is not applicable.

8. Background

8.1 The Terms of Reference for the Finance and Audit Scrutiny include "Promote value for money and good procurement practice". This is a role that the Committee has actively pursued. In carrying out this role the Committee appointed three of its members to act as Procurement Champions to assist and advise the Procurement Manager. Without doubt, partly as a result of these actions, the status and knowledge of procurement has increased substantially across the organisation in recent years.

8.2 In March 2014 the Finance and Audit Scrutiny Committee requested that it review each departmental Contracts Register in turn. These reviews were intended to follow the approach used to review the Risk Register, whereby the relevant portfolio holder and head of service are available to answer the committee's questions.

9. Finance Contracts Register

9.1 The latest version of the Finance Contracts Register is set out as Appendix 1. It will be noted that the register is relatively brief compared to those held by some service areas. As a support service does not having many contracts to manage, although many of them are of great importance across the organisation.

9.2 The contracts can be broadly categorised as follows:-

- ICT systems – eg Council Tax, Financial Management
- Services – eg Banking contract, finance leases
- Consultancy - eg Treasury Management advice and services