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| Report To: | AUDIT PANEL |
| Date: | 10 March 2020 |
| Reporting Officer: | Kathy Roe – Director of Finance Wendy Poole – Head of Risk Management and Audit Services |
| Subject: | PROCUREMENT GUIDANCE FOR COUNCILLORS |
| Report Summary: | To advise Members of the report produced by the Local Government Association and published in 2019. |
| Recommendations: | That the Procurement Guidance is approved for circulation to all members. |
| Corporate Plan: | No direct links but supports the individual operations within the Community Strategy. |
| Policy Implications: | The guidance provides members with an overview of procurement which helps demonstrate a commitment to high standards of corporate governance. |
| Financial Implications: (Authorised by the Borough Treasurer) | Procurement Fraud diverts money away from service delivery and therefore it is important that effective internal controls are in place to minimise losses. |
| Legal Implications: (Authorised by the Borough Solicitor) | The report and guidance highlights the need for members to be apprised of their check and challenge role both at executive and scrutiny level. In an increasingly complex procurement environment, the role of Councillors is central to the delivery of good procurement and contract management outcomes. |
| Risk Management: | Procurement Fraud is a risk to all organisations and therefore it is important that a sound system of internal control is in place to mitigate the risk of fraud and that counter fraud resources are sufficient to ensure that cases identified are investigated and where appropriate prosecuted to recover assets which have been wrongfully diverted away from service delivery. |
| Background Papers: | The background papers can be obtained from the author of the report, Wendy Poole, Risk & Internal Audit Manager by:  Telephone: 0161 342 3846  e-mail: wendy.poole@tameside.gov.uk |

1. BACKGROUND

- 1.1 The Local Government Association (LGA) has worked closely with councils to develop the National Procurement Strategy 2018 and a toolkit that enables councils to set their own objectives and measure their own progress.
- 1.2 The National Procurement Strategy puts the councillor role front and centre and this guidance (See **Appendix 1**) has been produced specifically for them. It looks at the roles councillor's play as both executive members and those engaged in overview and scrutiny work and it provides hints and tips on how to get the best out of procurement and contract management. Just as in the national strategy the focus is on delivering the council's objectives not something imposed from outside.
- 1.3 Councillors have great influence on the way resources are used and must recognise how important procurement and contract management are to the delivery of objectives.
- 1.4 Councillors do not need to be procurement professionals. But they do need to be able to ask the right questions and that is where the guidance comes in. The guidance says that councillors need suitable training and development to be able to perform their roles effectively.
- 1.5 To accompany the guidance the LGA has developed an online quiz for councillors. It is a light-hearted thing with a serious purpose and helps Councillors to take stock of their own knowledge.

2. LGA PROCUREMENT GUIDANCE

- 2.1 The guidance is divided into a number of sections:-
 - Why is procurement important?
 - What is the councillor role?
 - What corporate arrangements should be made?
 - What is procurement?
 - Is commissioning different?
 - What is the procurement process?
 - How are contracts and relationships managed?
 - What is category management?
 - How is social value delivered?
 - What is commercialisation?
 - What questions should I ask?
 - Jargon buster
 - Further reading

3. STAR PROCUREMENT

- 3.1 The Council is now part of STAR Procurement, which provides support and guidance to officers to ensure that robust procedures are in place. The guidance document was discussed briefly at the last Heads of Audit Star Procurement Group and it was recommended that the report be presented to each Council's Audit Committee.

4. RECOMMENDATIONS

- 4.1 As set out on the front of the report.