

Corporate Governance Committee – 16th September 2026

Report by:

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Lead Cllr:

Stephen Claffey – Procurement Portfolio Holder



Wards	Open / Exempt	Key Decision?
ALL	Open	No

Changes to the Code of Procurement (Part 4 Rules of Procedure of the Council's Constitution)

Executive Summary: Following the introduction on 24th February 2025 of the Procurement Act 2023, the current Code of Procurement (Part 4 Rules of Procedure in the Council's Constitution) will require amendment to remain compliant. This report advises the Corporate Governance Committee on the proposed required amendments.

As the last review of the Council's procurement rules took place in February 2022, this is a significant update to the Code as the legislation has changed significantly.

The Code of Procurement will need to be replaced in its entirety with the new Contract Procedure Rules (CPRs). This will be supplemented by the Procurement Guidance.

Key Performance Indicators are also proposed to monitor compliance to the new CPRs.

Recommendations

- 1.1. Review the CPRs as set out at Appendix A.
- 1.2. Note the changes made between the existing Code of Procurement and the new CPRs in Appendix B.
- 1.3. Endorse the required amendments to the Constitution for the Council to remain compliant with procurement legislation.
- 1.4. Review and endorse the Procurement Guide as set out at Appendix C.
- 1.5. Review and endorse the draft Procurement Outcomes - the Social Value Policy at Appendix D.

Key Corporate Plan Priorities

- 1 Creating a better Huntingdonshire for future generations
- 2 Doing Our Core Work Well

Place Strategy Priorities

- 1 Inclusive Economy

Report Author(s)

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1. PURPOSE OF THE REPORT

- 1.1** The purpose of this report is to enable the Corporate Governance Committee to consider the proposed required replacement of the Council's existing Code of Procurement with a new set of Contract Procedure Rules (CPRs), attached at Appendix A. The proposed CPRs are intended to update Part 4 (Rules of Procedure) of the Council's Constitution by replacing the current Code of Procurement in its entirety and ensure that the Council's procurement governance framework remains compliant with legislation and reflects the requirements of the Procurement Act 2023 and the Procurement Regulations 2024.
- 1.2** The revised CPRs have been developed to provide a proportionate and compliant framework for the procurement of goods, services and works on behalf of the Council. They establish defined responsibilities, approval routes, procurement procedures and contract management requirements that support transparency, accountability, value for money and compliance with statutory obligations.
- 1.3** Appendix B highlights the principal changes between the existing Code of Procurement and the proposed CPRs.
- 1.4** Following endorsement by the Corporate Governance Committee this will progress through to a Council decision on 14th October 2026.

2. BACKGROUND & CONTEXT

- 2.1** The Council's current Code of Procurement (Appendix B) was last reviewed in February 2022 and was drafted to operate within the framework of the Public Contracts Regulations 2015 and associated procurement legislation.
- 2.2** The Procurement Act 2023 came into force on 24th February 2025 and was closely followed by the Procurement Regulations 2024, replacing the previous procurement regime for new procurement activities undertaken by contracting authorities. The new legislation represents the most significant reform of public procurement in a generation and introduces several new requirements relating to transparency, procurement procedures, procurement notices, contract management, publication of information and supplier engagement.
- 2.3** The Act also places greater emphasis on delivering value for money, maximising public benefit, acting with integrity and transparency, and ensuring that procurement processes are accessible to suppliers, including small and medium-sized enterprises (SMEs).
- 2.4** Social value also features in the Act, including the wellbeing of individuals and communities, social capital and the environment. The Council has a duty to have regard to social value evaluation criteria for procurements over the relevant UK Procurement Threshold.
- 2.5** Contracting authorities are additionally required to have regard to the National Procurement Policy Statement when conducting procurements.
- 2.6** A review of the Council's existing Code of Procurement concluded that while elements of the existing document remain relevant, the extent of legislative and procedural change is such that a comprehensive revision is required. Rather than making a series of amendments to the existing document, it is proposed that the Code of Procurement

is replaced in its entirety with a new set of CPRs. The revised structure is intended to be more accessible, easier to maintain, more closely aligned to current procurement legislation and best practice across local government.

- 2.7** The proposed CPRs incorporate the Council's statutory obligations under the Procurement Act 2023 while also retaining local governance controls relating to delegated authority, procurement approvals, contract award decisions, use of waivers, conflicts of interest, contract registration and record retention. The CPRs provide a clear framework for undertaking procurement activity and seek to ensure that all procurement decisions are made consistently, transparently and in accordance with relevant legislation and constitutional requirements.

Current Policy Document	New Policy Document
Constitution Part 4: Code of Procurement (2022)	Constitution Part 4: Contract Procedure Rules
	Procurement Guide
Social Value Policy (2019)	Procurement Outcomes – the Social Value Policy (Appendix D)

- 2.8** The revised CPRs have also been developed to support the Council's wider strategic objectives. In particular, they reinforce the Council's commitment to:
- ensuring compliance with legal standards;
 - securing value for money;
 - maximising public benefit;
 - embedding social value considerations;
 - supporting local suppliers; and
 - ensuring robust contract management arrangements throughout the life of a contract.
- 2.9** These principles especially align with the Council's Corporate Plan priority of **"Doing our Core Work Well"** through the delivery of high-quality, value-for-money services supported by strong governance and compliance arrangements.
- 2.10** Subject to the endorsement of the Corporate Governance Committee, the proposed CPRs will be submitted to Full Council for formal approval and adoption into the Constitution.

3. MEASURING PERFORMANCE

- 3.1** There are several performance indicators, proposed for six monthly reporting, to monitor adherence to the new CPRs:
- Awards over £50,000 categorised by:
 - Direct Award
 - Awarded by open tender process
 - Awarded procurement by framework
 - Awarded procurement by dynamic market
 - Proportion and value of awards to suppliers with a registered business address within the PE postcode area; and
 - Proportion and number of contracts operating under a waiver, including any retrospective waivers, with commentary.

- Updates on KPIs for any contracts that fall within section 12.13 of the Rules (contracts that fall under Procurement Act 2023 and are valued over £5m).

3.2 Feedback is sought from the Corporate Governance Committee on indicators that would assist scrutiny. Recommendations for further indicators will be assessed against officer time required to collect new data, resources required and value for money given a new Unitary vesting date of April 2028.

4. ALTERNATIVE OPTIONS CONSIDERED & NOT RECOMMENDED

4.1 It would be possible to make a series of changes to the existing Code of Procurement. The extent of legislative and procedural change is such that a comprehensive revision is required. This includes a revised structure to better reflect new legislation.

4.2 Do nothing – The Council would fail to be compliant with the Procurement Act 2023.

5. COMMENTS OF CORPORATE GOVERNANCE COMMITTEE

5.1 To be added following the meeting on 16th September 2026.

6. POST- DECISION IMPLEMENTATION

Following the Constitution Review Working Group's endorsement of this report with changes made to link terms & conditions to the website and strengthening wording around the use of standard terms and conditions and contract content this report (following Corporate Governance Committee will progress to Council on 14th October 2026).

7. IMPLICATIONS OF THE DECISION

7.1 Council Key Priorities and Performance

7.1.1 The proposed CPRs support the Corporate Plan priority of "**Doing our Core Work Well**" by strengthening the Council's procurement and contract management governance arrangements.

7.1.2 The revised Rules ensure compliance with the Procurement Act 2023 and Procurement Regulations 2024 whilst promoting value for money, transparency, integrity and effective stewardship of public funds. The CPRs establish clear responsibilities, approval processes and contract management requirements that will support good governance and compliance with statutory obligations.

7.1.3 The Rules also facilitate the delivery of wider Council priorities through the consideration of social value, public benefit and environmental outcomes within procurement activity. Overall, the CPRs provide a robust framework that supports efficient service delivery, effective risk management and organisational accountability.

7.2 Financial Implications

7.2.1 Effective Management and clear governance of the procurement of goods and services is essential to deliver the Council's responsibilities with the expenditure of public money and to meet the requirements of the Financial Regulations.

7.3 Policy Implications

7.3.1 Social Value Policy - In line with the proposed CPRs, work is underway to review and update the Council's Social Value Policy.

7.3.2 Community Health & Wealth Building Policy – The new CPRs and guidance reflect greater focus on the value of procuring from local businesses.

7.3.3 Climate Strategy – The new CPRs and guidance reflect greater focus on the environmental impacts of procurement.

7.4 Legal & Constitutional Implications

7.4.1 The proposed CPRs will replace the existing Code of Procurement in its entirety within Part 4 of the Constitution and provide an updated governance framework aligned to the Procurement Act 2023 and Procurement Regulations 2024. Full Council approval is required as the CPRs form part of the Constitution. Subject to a review of consequential amendments elsewhere in the Constitution, particularly Article 14 (Contracts) and references to the Code of Procurement within the Scheme of Delegation and Financial Regulations, no significant constitutional impediments to adoption have been identified. The CPRs strengthen the Council's procurement governance, transparency and compliance arrangements and reduce the risk of non-compliance with current procurement legislation.

7.4.2 The Rules include a section on the "Procedure for the Disposal of Assets." This is consistent with the existing Code of Procurement. Officers have taken the opportunity to update the thresholds in line with recent legislation. This is unique from land disposals, for which the council has an existing policy.

7.4.3 The guidelines that determine what is a reasonable justification for a waiver are currently being reviewed.

7.5 Community Impact

7.5.1 The new CPRs and guidance reflect greater focus on the value of procuring from local businesses, in line with this Council's Community Health & Wealth Building Policy.

7.6 Environment & Climate Change Implications

7.6.1 The new CPRs and guidance reflect greater focus on the environmental elements of social value in line with this Council's Climate Strategy.

7.7 Equality & Diversity Implications

7.7.1 N/A.

7.8 Implications on Resources

7.8.1 As part of the new CPRs, officers who are identified as the Contract Manager will be required to add the details of the contract/s that are awarded to the council's contract register and report (where needed) on the contract's performance over its lifetime.

7.8.2 The CPRs also enforce the requirement to have a central repository of all contracts and to ensure any new contracts which are let are saved to this.

7.9 Health & Wellbeing Implications

7.9.1 N/A.

7.10 Local Government Reorganisation (LGR) Implications

7.10.1 These revised CPRs will be more aligned to those of other councils within Cambridgeshire, our Council's potential future partners. The new Unitary Authority will review its procurement governance in line with the cross-council LGR Procurement workstream, in order to be safe and legal by the day of vesting.

8. RISK MANAGEMENT

8.1 The proposed CPRs are intended to reduce the Council's exposure to procurement, governance and compliance risks by providing an updated procurement framework which is compliant with the Procurement Act 2023 and Procurement Regulations 2024.

8.2 The principal risk associated with not approving the recommendations is that the Council would continue to operate under a Code of Procurement that was developed before implementation of the new procurement regime. This could increase the risk of procurement activity being undertaken in a manner that is inconsistent with current legislative requirements, resulting in legal challenge, audit findings, procurement complaints, reputational damage and reduced assurance over value for money.

8.3 The proposed CPRs introduce controls intended to mitigate these risks, including:

- Clear governance and approval requirements
- Defined procurement responsibilities
- Updated transparency and publication requirements
- Enhanced contract management provisions
- Strong contracts register obligations
- Clarified waiver and exemption processes
- Alignment with statutory obligations under the Procurement Act 2023

8.4 Implementation risks associated with officer awareness and adoption of the new procedures will be mitigated through guidance, training and ongoing support from the Procurement Team.

8.5 Following implementation of the revised CPRs, the residual risk is considered to be low and proportionate to the Council's normal procurement activities.

9. BACKGROUND PAPERS – LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

- Constitution Part 4: Code of Procurement (February 2022)
- Procurement Information and Opportunities, Huntingdonshire District Council website (June 2019)
- Community Health & Wealth Building Strategy (September 2024)
- Climate Strategy (February 2023)
- Anti-Fraud and Corruption Strategy (2021)
- Selling to our Council: A Guide for Suppliers, (June 2019)
- Contractor's Social Value Guide (June 2019)

10. LIST OF APPENDICES INCLUDED

- Appendix A: Contract Procedure Rules (Proposed)
- Appendix B: Code of Procurement (February 2022) – with commentary on proposed changes
- Appendix C: Procurement Guide (Proposed)
- Appendix D: Draft Procurement Outcomes - the Social Value Policy
- Appendix E: Example Procurement Plan