

## Appendix 1 – All Proposed Revisions to the Procurement Code Part 1

Rule	Name	Change
General	Terminology	<p>Terminology updated as follows:</p> <ul style="list-style-type: none"> <li>• Replaced “City Procurement” with the “Commercial Service”.</li> <li>• Replaced “Procurement Sub Committee” with “Operational Property and Projects Sub Committee”.</li> <li>• Replaced “OJEU” (Official Journal of the European Union) with “FTS” (Find a Tender Service).</li> </ul>
General	Thresholds	<ul style="list-style-type: none"> <li>• Raised £50,000 threshold to £100,000 throughout.</li> </ul>
3	Governance	<ul style="list-style-type: none"> <li>• Updated to reflect Target Operating Model restructure. Replaced “Chamberlain” with “Chief Operating Officer” at 3.1 and added reference to new Operational Property and Projects Sub Committee.</li> <li>• Removed reference to Strategic Resources Group which is no longer in operation.</li> </ul>
5	Best Value	<ul style="list-style-type: none"> <li>• Contract awards amended to be made on the basis of Most Advantageous Tender (MAT) instead of Most Economically Advantageous Tender (MEAT). This is in line with the proposals of the Government’s Green Paper on “Transforming Public Procurement” to encourage contracting authorities to give more consideration to social value when evaluating and awarding contracts.</li> </ul>

Rule	Name	Change
12	Annual Sourcing Plan	<ul style="list-style-type: none"> <li>Chief Officers' annual forecast of all procurements above £100,000 for the next financial year to the Commercial Director in February amended to November. This is to align with the Financial Services Division's Annual Budget Setting process in November. This will allow the Commercial Service to feed in to Finance Business Partners where departments need to budget for paying for our support on sourcing projects not considered core, or not able to be deferred.</li> <li>Updated rule referring to Annual Sourcing Plans as being subject to approval and quarterly monitoring by Category Boards. Priority to be given to deliver those projects which will deliver savings and efficiencies and meet the objectives of the Corporate Plan.</li> </ul>
14	Estimating Contract Values	<ul style="list-style-type: none"> <li>Threshold updated from £50,000 to £100,000 for departments to consult with the Commercial Service.</li> <li>Requirement added for officers to include VAT where it applies for the purposes of calculating whether a contract meets the UK Find a Tender (FTS) advertising thresholds.</li> </ul>
15	Procurement Thresholds	<ul style="list-style-type: none"> <li>Operational purchasing threshold raised from up to £50,000 to up to £100,000 which will devolve responsibility for purchases under £100,000 to departmental officers. This change supports the efficiency principles under the Target Operating Model (TOM) specifically to align activity and resources to our corporate outcomes; increase the pace of decision making; achieve cost savings to resolve budget deficit.</li> </ul>
16	Contract Lettings Thresholds	

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		<ul style="list-style-type: none"> <li>The contracts lettings table has been amended to align to the Procurement Thresholds in rule 15. The first row has been amended from £50,000 and below to £100,000 and below. Second row (£50k to £100k threshold) has been removed as its no longer required.</li> </ul>
20	Using External Frameworks	<ul style="list-style-type: none"> <li>New rule added that where applicable, Responsible Procurement commitments and weighting should be included in a mini-competition or award process.</li> </ul>
23.3	Appointment of External Procurement, Property and Legal Consultants	<ul style="list-style-type: none"> <li>New rule that Officers planning to appoint external property and construction advisors must consult with the City Surveyor before all such appointments can be made.</li> </ul>
25	Waivers	<ul style="list-style-type: none"> <li>Due to the increase in the Procurement Threshold for Operational Purchasing in rule 15, the waiver approval thresholds have been amended so that no waiver is required for contracts valued at £100,000 or less (unless a corporate contract exists).</li> <li>A new rule added that where applicable, relevant Responsible Procurement commitments should be considered and included in contracts awarded as part of the waiver process.</li> </ul>
26	Exemptions	<ul style="list-style-type: none"> <li>New rule added that where applicable, relevant Responsible Procurement commitments should be considered and included in contracts awarded by an exemption.</li> </ul>

30.1	Contract extensions where terms allow for extensions	<ul style="list-style-type: none"> <li>• The total contract value threshold has been raised from £50,000 or more to £100,000 or more for officers to undertake a formal review for all contracts extensions where terms allow in conjunction with the Commercial Service. This is in alignment with the changes to the Procurement Thresholds in rule 15.</li> <li>• A rule has been added to evaluate Responsible Procurement commitments as part of the contract review.</li> <li>• For total contract values at £4m or above, the approval process for using contract extension provisions has been updated so that approval is still required from the relevant Category Board and Sub-Committee. However approval from Finance Committee and Court of Common Council is now no longer required where Court of Common Council have approved the original contract award in accordance with the Contracts Lettings approval</li> </ul>
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		process with a recommendation to authorise the Operational Property and Projects Sub Committee to approve the use of contract extension provisions. This will give the Operational Property & Projects Sub Committee more authority to make decisions without the need to go back to Finance Committee and the Court of Common Council.
31.4	Contract Termination	<ul style="list-style-type: none"> <li>The threshold for consulting the Commercial Service and C&amp;CS increased from over £50,000 to over £100,000 to align with the changes to the Procurement Thresholds in rule 15.</li> </ul>
33.2	Changes in identity of suppliers	The contract novation process has been amended so that where applicable, the new contractor must meet any Responsible Procurement requirements of the original contract.
45.2	E-Invoicing Policy	<ul style="list-style-type: none"> <li>A new rule confirming that the Corporation's E-invoicing policy is the preferred method of receiving invoices.</li> </ul>
46-55	Responsible Procurement	<ul style="list-style-type: none"> <li>Rules amended to ensure departments consider the commitments of the Responsible Procurement Policy when awarding contracts from external frameworks, waivers, extensions and exemptions.</li> <li>For contracts above £100,000, the minimum weighting for Responsible Procurement has been raised from 10% of the technical envelope to 15% of the overall score including call off contracts from framework agreements. This will apply from 1 September 2022.</li> <li>Equity and Diversity rules updated so that sectors deemed at high risk for equalities issues as outlined in the Responsible Procurement Toolkit must include standard specification wording and should consider evaluating suppliers on active steps taken to embed equity, diversity and inclusion within their business and industry.</li> </ul>

Rule	Name	Change
		<ul style="list-style-type: none"> <li>• Removed requirement to consult with the Social Value Panel which is no longer in operation and the learning from the Panel has been incorporated into the Responsible Procurement bank of questions.</li> <li>• Living Wage rules updated to require officers to ensure relevant suppliers comply with the Living Wage policy and annual uplifts in living wage rates in accordance with the CoL Living Wage Policy.</li> <li>• Modern Slavery and Human Rights rules updated to ensure that relevant suppliers abide by not only the Modern Slavery Act but also updates to modern slavery legislation.</li> <li>• Noise Control rule has been removed as this is not a procurement policy but is included in the standard CoL policy schedule.</li> </ul>