

Audit and Standards Committee

27 January 2022

Contract Procedure Rules: Breach Report

Is the paper exempt from the press and public?	No
Purpose of this report:	Discussion
Is this a Key Decision?	No
Has it been included on the Forward Plan?	Not a Key Decision

Director Approving Submission of the Report:

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Executive Summary

How the MCA procures activity and manages contracts is governed by the Contract Procedure Rules (CPRs).

The CPRs are a Constitutional document and must be adhered to by all officers. The Group Finance Director is responsible for the content and application of these rules through Finance, Procurement and Contracting teams.

This report provides details on occasions where the CPR rules have been breached. Providing transparency on breaches affords the Committee oversight on potential control weaknesses and supports learning. The report notes that since the last reporting date there have been now new identified breaches.

What does this mean for businesses, people and places in South Yorkshire?

The CPRs are a key internal control, designed to maximise the value of MCA expenditure and mitigate inherent risk.

Recommendations

Note the breach report.

1. Background

- 1.1 This report provides an update on breaches to the CPRs. Those breaches are reported through Appendix A, with narrative on the nature of the breach, value, actions taken and lessons learnt.
- 1.2 The breach report is designed to provide oversight for the ASC on where breaches are occurring and how the MCA responding. This process will support review of potential systemic internal control weakness and formal learning.

2. Key Issues

- 2.1 No instances of procurement breaches have been noted since the last reporting date where two issues were identified. Actions associated with those issues have previously been discussed and delivered.
- 2.2 Work continues to develop procurement and contracting practices and as part of the integration exercise a new target operating model has been developed that will bring procurement and contracting together in a new unified function.
- 2.3 As part of the integration changes new Contract Procedure Rules will be presented to Board for consideration in March.

3. Options Considered and Recommended Proposal

- 3.1 **Option 1**
Not applicable.

4. Consultation on Proposal

- 4.1 N/a

5. Timetable and Accountability for Implementing this Decision

- 5.1 The breach report will be represented to ASC next quarter.

6. Financial and Procurement Implications and Advice

- 6.1 This report provides an update on breaches to the CPRs. The report notes that where breaches occur issues are reviewed to identify lessons to be learned.

7. Legal Implications and Advice

- 7.1 None

8. Human Resources Implications and Advice

- 8.1 None

9. Equality and Diversity Implications and Advice

9.1 None

10. Climate Change Implications and Advice

10.1 None

11. Information and Communication Technology Implications and Advice

11.1 None

12. Communications and Marketing Implications and Advice

12.1 None

List of Appendices Included

A Breach Report

Background Papers

None