



Leicester
City Council

Minutes of the Meeting of the

GOVERNANCE AND AUDIT COMMITTEE

Held: MONDAY, 23 June 2025 at 5:30 pm

P R E S E N T :

Councillor Kaur Saini (Chair)
Councillor Russell (Vice Chair)

Councillor Bajaj
Councillor Kitterick
Councillor Rae Bhatia

Councillor Joel
Councillor Moore
Councillor Singh-Patel

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33. Apologies for Absence

There were no apologies for absence

34. Declarations of Interest

The Chair asked members of the Committee to declare any interests in the business to be discussed, for which there were none.

38. Contract Procedure Rules

The Head of Procurement submitted a report to the Governance and Audit Committee which presented the Contract Procedure Rules.

The Head of Procurement presented the report, providing an overview on the Procurement Act 2023, and summarised the changes made to the Council's Contract Procedure Rules to bring the document in-line with the Act. The Director of Finance noted that comments made by the Committee would be considered at the upcoming meeting of the Full Council on 3rd July 2025, who are being asked to approve the document.

Members of the Committee discussed the report, and the following points were highlighted:

- It was asked if a separate document could be provided showing the changes. It was noted that this was difficult as the changes were significant. For example, Section 21 of the Contract Procedure Rules did not necessarily correspond with the old section 21 as several

sections had been removed and new sections inserted. In addition, there had been a change in terminology and flow of the rules to reflect the flow of the Procurement Act.

- It was agreed that the Director of Finance would provide an online briefing session to all Councillors ahead of Council on the 3rd July, to provide an overview on the new Act and the changes to the Contract Procedure Rules.
- A question was raised by a Member of the Committee enquiring about the possibility of additional focus on the local supply chain. It was noted that the Principles and Objectives within the Contract Procedure Rules detail the aims of procurements and one of these is supporting small and medium suppliers to submit tenders (namely have regard to barriers faced by SMEs). The Council provides support to suppliers wanting to submit bids to the Council through provision of information on our website and in-person training. It was further noted that there were a variety of options available, which included strengthening wording to place additional focus on the local supply market in the Preliminary Market Engagement section and could be explicitly stated on the Council's procurement website pages and scoring system.
- A Member of the Committee enquired about how Councillors should manage direct contact from local suppliers interested in Council contracts. The Director of Finance noted that the point will be taken back and agreed to be included in a Member's Bulletin.
- Following questions about how the Council was embedding and testing the principles of the Contract Procedure Rules in Council processes, it was noted that internal auditors had been commissioned to review procurement areas within the Council and that any areas of concern would result in recommendations. The Committee will be provided an update on the outcome of these audits in their regular updates from internal audit.
- The Head of Procurement and the Procurement Team had conducted several training sessions with officers involved in procurement across the Council. This included both in-person sessions and virtual sessions. It was noted that these training sessions had resulted in good attendance and engagement from officers.
- Members noted that the changes made to the Contract Procedure Rules would result in more costly procurement and queried how the Council could streamline costs while adhering to the new requirements of the Procurement Act. The Director of Finance noted that the changes were being managed by the current resources available, resulting in additional strain on teams to ensure the Council's compliance with the Act. It was further noted that the emphasis was to ensure the processes were as efficient as possible.

The Chair thanked officers for the report.

RESOLVED:

1. That the report be noted and that comments made by the Committee be taken into consideration at the upcoming meeting of the Full Council.
2. That a briefing session on the higher-level Contract Procedure Rules document be conducted prior to the next meeting of the Full Council.
3. The Committee asked the Executive to have consideration and additional emphasis on engagement with local suppliers.
4. A member note would be provided on how Councillors manage direct contact from Suppliers.