

**Bolsover District Council**

**Audit Committee**

**15th December 2014**

**Utilisation of E Tendering Software**

**Report of the Executive Director - Operations**

This report is public

**Purpose of the Report**

- To update the Audit Committee concerning the position in respect of the receipt and opening of tenders.

**1 Report Details**

- 1.1 In common with other public sector organisations the Council currently operates a system of tender opening based upon a manual process where independent officers certified tender submissions with elected Members in attendance as independent witnesses. The purpose of these procedures has been to ensure that the process of tender submission and opening is fair and transparent and subject to independent scrutiny. These traditional arrangements while time consuming and difficult to organise have generally worked well.
- 1.2 E tendering solutions in which the tender submission is undertaken electronically are being increasingly utilised within the public sector. They have a number of advantages including simplicity, security, efficiency, transparency and providing an auditable process. These advantages as viewed as being beneficial to both the supplier and to the organisation seeking to procure a supply or a service. Currently E Tendering is increasingly regarded as constituting good practice within the public sector and it is anticipated that legislation will be introduced in the near future making e tendering compulsory.
- 1.3 Audit Committee will be aware that with effect from April 2014 the Council has been in a shared procurement arrangement with the Chesterfield Royal Hospital. The Hospital has appropriate E Tendering software in place which is in use for its own tendering arrangements. It is proposed to extend the use of this software to Bolsover contracts in the near future and to discontinue the use of manual tender submission and opening procedures. It should be noted that within the Council's Constitution there are provisions which allow the use of either E Tendering or traditional tender opening. Given the advantages of utilising E Tendering procedures the Audit Committee is requested to note this proposal and to make any observations which it considers to be appropriate.

## **2 Conclusions and Reasons for Recommendation**

- 2.1 The report seeks to present to the Audit Committee an update concerning the development of new processes in respect of the receipt and opening of tenders. Given the role of the Audit Committee in ensuring that effective arrangements for financial governance are in place it is appropriate that this Committee is appraised of the revised processes and procedures which it is proposed to implement.

### **Reasons for Recommendation**

- 2.2 To ensure that the Council is compliant with forthcoming legislation, is able to demonstrate transparency in the management of tender documentation and to secure efficiency savings from a reduction in staff time spent on managing the tender process.

## **3 Consultation and Equality Impact**

### **Consultation**

- 3.1 There are no issues arising from this report which necessitate a detailed consultation process.

### **Equalities**

- 3.2 There are no direct implications arising from this report.

## **4 Alternative Options and Reasons for Rejection**

- 4.1 These are outlined in the main body of the report.

## **5 Implications**

### **5.1 Finance and Risk Implications**

#### **Financial**

While there will be some efficiency gains as the result of a move to an e tendering process these will be limited and will not result directly in the generation of opportunities for cashable savings.

#### **Risk**

The system that will be operated on the Council's behalf by the Shared Procurement service is a proven solution that will meet the requirements of both prospective legislation and public accountability. Where appropriate the process will be reviewed by Internal Audit.

### **5.2 Legal Implications including Data Protection**

There are covered in the report.

### 5.3 Human Resources Implications

These are detailed in the attached report.

## 6 Recommendations

- 6.1 That the report is noted, and the Audit Committee raise any issues of concern with the proposed move to an e tendering solution for managing the receipt of tenders.

## 7 Decision Information

<b>Is the decision a Key Decision?</b> (A Key Decision is one which results in income or expenditure to the Council of £50,000 or more or which has a significant impact on two or more District wards)	No
<b>District Wards Affected</b>	None Directly
<b>Links to Corporate Plan priorities or Policy Framework</b>	Robust Governance arrangements underpin the effective operation of the Council and its ability to secure all of the Corporate Plan priorities.

## 8 Document Information

Appendix No	Title
<b>Background Papers</b> (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Report Author	Contact Number
Executive Director – Operations	01246 242431