

## APPENDIX A: FINANCIAL REGULATIONS 2012

### Summary of Main Changes:

Page number and reference	New entry	Previous entry or clarification of amendment
P 3 1.4	<ul style="list-style-type: none"> <li>• To ensure that the procurement process is clear and focussed in the first instance on achieving value for money</li> <li>• To ensure that the procurement options are chosen on the basis of the degree to which they support and deliver the Council's strategic objectives and priorities and those of specific services</li> <li>• To investigate a number of ways to provide services in partnership with other councils, public, private and not for profit organisations and where appropriate, to seek out and develop new methods of service delivery supplied by immature and emerging markets</li> <li>• To ensure that in choosing the best value procurement method, the process of balancing cost against community benefit, in terms of economic, social and environmental factors, is made in a transparent way and supported where appropriate with clear evidence.</li> <li>• To ensure that the relevant mechanisms exist in order to fulfil the legislative requirements placed on the authority under the 'Community right to challenge' of the Localism Act 2011. This section of the act requires the authority to consider bids made</li> </ul>	<ul style="list-style-type: none"> <li>• To ensure that the procurement process is clear and focussed in the first instance on achieving value for money</li> <li>• To ensure that the procurement options are chosen on the basis of the degree to which they support and deliver the Council's strategic objectives and priorities and those of specific services</li> <li>• To investigate a number of ways to provide services in partnership with other councils, public, private and not for profit organisations and where appropriate, to seek out and develop new methods of service delivery supplied by immature and emerging markets</li> <li>• To ensure that in choosing the best value procurement method, the process of balancing cost against community benefit is made in a transparent way and supported where appropriate with clear evidence.</li> </ul>

	by relevant organisations to run services on behalf of the authority, with the receipt of any appropriate bid received triggering the necessary procurement exercise.	
P4 1.5 First bullet point	The Procurement Officer and the Contracts Lawyer will	Deleted – it is recommended that a procurement forum is formed to
P4 1.5 Second bullet point	Particularly for those new to procurement	New Entry
P5 2 Introduction	This Strategy provides a common framework within which all procurement by the Council are to be conducted. Procurement is central to the management of many operations within the Council.	New Entry
P5, 2 – last para	All aspects of procurement including the EU treaty, and Regulations, UK Law	New Entry
P5, 2 – last para	Also working collaboratively with Stevenage Borough Council and via a number of regional forums i.e. Supply Herts, Go East	New Entry
Pg 5, 2.1 new para	The term 'Procurement' is not about purchasing, buying or commissioning, it is the acquisition of goods, works or services. It is favourable that the goods/services are appropriate and that they are procured at the best possible cost to meet the needs of the users and the local community in it's widest sense in terms of quality and quantity, time and location. Procurement processes are intended to promote fair and open competition, is managed and controlled accordingly, whilst minimizing exposure to fraud and collusion, and achieving the Council's key objectives and outputs.	New Entry
P5 2.1		Deleted first paragraph- Procurement is the commissioning of all Council Services and the purchase of work materials, goods and services for use by those Council Services or for sale or allocation

		to customers, partners or stakeholders. The purpose of procurement is to meet user requirements to a defined standard of quality within available resources. It excludes recruitment of Council staff (other than through agency agreements)
P5 2.1		Deleted paragraph – Procurement encompasses every aspect of the purchasing process from determining the need for goods, work and services, to buying and delivery in order to help achieve the Council’s key objectives and outputs. Procurement is central to the management of many operations within the Council.
Pg 6 2.4		Deleted – The term procurement has a far broader meaning than that of purchasing, buying or commissioning. It is about securing services and products that best meet the needs of users and the local community in its widest sense and are managed and controlled accordingly. This strategy provides a common framework within which all procurements by the Council are to be conducted.
Pg 6	Map of Procurement Lifecycle	New Entry
Pg 7 3.4	12/13  Living within our means to deliver cost-effective services Working with local communities Protecting our environment for our communities  The financial year 2012/13 saw a period of considerable transition	New Entry Deleted – 2009/10 New Entry New Entry New Entry Deleted – town Centres – to include delivery of actions arising from each of our four town centre strategies, sustaining our townj centre businesses. Deleted – Green Issues – to include development of our final climate change strategy and increasing opportunities for recycling and in vessel composting Deleted – Sustainable development – to include controlling development and preserving our greenbelt/rural way of life wherever possible New entry

	for local government and this will continue into 2012/13 and beyond. We have reviewed our plans and priorities to better reflect emerging legislation and the economic climate to ensure that we maintain focus on the issues that are important to our residents	Deleted – These three areas will provide our short term focus and resources will therefore be moved (as far as is practicably possible given the limited flexibility of the existing budgets) and redirected towards activity that specifically takes these issues forward
Pg 7 3.4		Deleted - Underpinning these priorities, the council retains its six strategic objectives, ensuring we have : Sustainable Communities Safer Communities Healthier communities Equal Communities Prosperous Communities Satisfied Communities
Pg 7-8 3.5	LGA: Local Government Association assisted by the LGNAG4P: Local Government National Advisory Group for Procurement A review of collaborative procurement across the public sector – Audit commission and National Audit joint report  Strong and Prosperous Communities 2009  Localism Act 2011 Community Right to Challenge 2012	New Entry  New Entry  Deleted – The Byatt Report (Delivering Better Services to Citizens) New Entry Deleted – Rethinking Construction New Entry New Entry
Pg 9 4.1	Procurement of Goods and Services: i) Procurement below £500: The use of Purchase Cards and Marketplace will be used for this level of procurement  ii) Procurement between £501 and £10,000 : A minimum of two written quotations will be required unless it is	New Entry – new threshold bandings Paragraphs ii) – iv) moved to page 10

	<p>clear that only one supplier is available. Marketplace Terms and Conditions will cover the order.</p> <p>iii) Procurement between £10,001 and £100,000: A minimum of three written quotations and an official Request for Quotation document must be used. Between £20,000 and £50,000 it is recommended that an advert be placed on the NHDC website to ensure competition. Between £50,001 and £100,000 an advert must be placed on the NHDC website and Contracts Finder.</p> <p>iv) Procurements between £100,001 to EU Threshold: A Tender Process will be completed and Official Tender documentation must be used and an Advert must be posted on NHDC website and ContractFinder.</p> <p>v) All Procurement above EU Thresholds must be carried out following the EU Tender process, Adverts must be posted on NHDC website, ContractFinder and OJEU as a minimum.</p> <p>Procurement of Works</p> <p>i) Procurement of Works under £200,000: A minimum of three written quotations will be required.</p> <p>ii) Procurement of Works between £200,001 and EU threshold: A minimum of three competitive tenders shall be invited and a formal written contract prepared in advance</p> <p>iii) Procurement of Works above EU Threshold must be carried out following the EU Tender process.</p>	
Pg 10, 4.2	Paragraphs v) – vii) from page 9	New Entry
Pg 12, 4.4	The basis of which will be made clear to all tenderers	New Entry

vii)		
Pg 14, 4.9	And also with Stevenage Borough Council on some joint contract tendering negotiations	New Entry
Pg16, 5		Deleted – In addition to an internal assessment by officers, a procurement challenge was carried out in February 2006 by the improvement Development Agency (IDeA). The purpose of the challenge was to identify current issues that need to be addressed if procurement best practices are to be addressed.
Page 16, 5.3	A robust policy in place to ensure that the Community Right to Challenge is fully integrated in North Hertfordshire District Council	New entry
Bullet point 4		Deleted - There are good examples where developing and setting up social enterprises have taken place e.g. meals on wheels service
Bullet point 5	Is still a high priority for North Herts	Deleted – has expanded e.g. community run centres, market trading in key town centres and provision of public conveniences
Bullet point 11	Continue developing	New Entry
Bullet point 12	Continues to expand with the upgrading of financial equipment to provide easier and cheaper financial processes  And the use of more facilities through the e-tendering tool	New Entry Deleted – through BACS, purchase cards, e-Marketplace and E-tendering
Page 18 - 19	,Various action plan updates	New Entries
Pg 20, 6.2	Procurement Guide, updated when any Legal or process changes are made Which are regularly reviewed	New Entry New Entry
Page 20, 6.3	All documentation must be completed before going out to advert	New Entry
Page 20, 6.4	And the Contracts Lawyer is responsible for supporting the project managers through the full tender/quotation process	New Entry  Deleted – Corporate

	Print services 2012/13 e.g. postage	Deleted – currently New entry New entry
Page 21, 6.7	North Herts have embraced North Herts have implemented:  A stand-alone e-tendering solution, to enable the council to seek tenders or quotations and which provides the facility to host an e-auction e-marketplace, a web based system that enables ordering from approved catalogues and provides compliance to contracts  Emailing  Expanded use planned The use of e-procurement	New Entry New Entry Deleted – The solutions currently available on the market include Deleted – Complete ‘end to end’ procurement systems that are integrated with financial back office systems New Entry  New entry  Deleted – Other web-based systems such as e-Auctions Deleted – Payment through BACS and CHAPS New Entry Deleted – faxing Deleted – planned 2009/10 New Entry New Entry
Page 26	Paragraph on the Right to Challenge Policy	New Entry