

Audit and Governance Committee



Date of meeting:	27 July 2020
Title of Report:	Purchasing Card Policy
Lead Member:	Councillor Chris Penberthy (Cabinet Member for Housing and Co-operative Development)
Lead Strategic Director:	Andrew Hardingham (Service Director for Finance)
Author:	Philip Symons
Contact Email:	Philip.Symons@Plymouth.gov.uk
Your Reference:	PSY27072020.b
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

This report seeks consideration of approval to proposed changes to the Purchasing Card Policy as set out in the supporting documents, so that they are relevant and fit for purpose.

Inclusive of a format change; making the document concise. It is our hope that this will assist in their compliance and increase client awareness of the details within each section.

Recommendations and Reasons

I. That the committee approve the updated Purchasing Card Policy as set out in Appendix A.

The Purchasing Card Policy governs the use of Council issues Purchase Cards. The vast majority of the cards issued are to council officers for the process for purchases under £500. This can be used by officers where appropriate; as an alternative to engaging with the Procurement Service formally. This will facilitate effective processing and management of low value, low risk purchases.

The proposed changes to the Purchasing Card Policy follows a full review of the existing Policy. Primary changes include:

- i. Addition of the 'uplift' process; in exceptional circumstance a cardholder may require a temporary limit increase or to unblock a spend category. The process is now included within the policy.
- ii. Addition of 'Policy Governance' section; Importance of compliance with the constitution and the Contract Standing Orders therein and the national law and EU procurement law.
- iii. E-learning course must not only be taken prior to Purchasing Card being issued but mandatory each year. This will ensure that our cardholders are up to date with any changes or additional information that may be required in their responsibilities as cardholders. This will help to mitigate against non-compliance and potential fraud.
- iv. Rationalising the layout and structure of the document and supporting documents to aid clarity

- v. Updating to take into account the changing shape of modern day local government

The aims of the updates proposed are to aid the Council in the delivery of efficient and effective procurement arrangements in a manner that also supports necessary probity and accountability in how the Council spends public monies.

Alternative options considered and rejected

The proposals put forward refresh the current policy document and add relevant information to aide council officers in ensuring that they are not only compliant with the policy itself but also to the wider constitution.

The work in development of the Purchasing Card Policy has been informed from approaches applied elsewhere, take into account views from cardholders, and input from key internal stakeholders, including, Service Director, Finance, Audit and staff within the Service. As such the proposals within this report are deemed fit for purpose for the future needs of the Council.

It is noted that options other than recommending for approval are available, in particular these would be to propose relevant changes with relevant grounds for those changes or indeed to reject the proposed approach providing with clear grounds and reasons why. Please note that 'no change' is not an option; the amends put forward contain necessary additions to ensure continued probity and accountability.

In the event of either of the above circumstances then clear direction should be provided to enable necessary adjustments to be carried out.

Relevance to the Corporate Plan and/or the Plymouth Plan

The Purchasing Card Policy sets out the expected standards and overall governance for all cardholding officers. In most cases this is low value transactional spend across the council to aide departments to be flexible and mitigate business continuity.

However the total spend per year is approx. £1.3million and our policy, training and supporting guidance documents should be fit for purpose and provide the necessary governance to ensure that officers spending money on behalf of the Council are being lawful as well as delivering value for money.

Implications for the Medium Term Financial Plan and Resource Implications:

There will be the need to undertake necessary communications and training to staff and members around the changes and how best to ensure that the policy is complied with. These cost would be covered within existing resource / budgets.

Carbon Footprint (Environmental) Implications:

Specific purchases themselves applying the policy and processes therein will take into account implications around things like: carbon footprint, green spaces, environmental policies and the climate emergency.

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

* When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.

Core implications and risks associated directly with this report are that the proposed changes either are not adhered to or followed as intended. The risks of not adopting the changes are:

- Potential non-compliant activity with the Contract Standing Orders
- Not taking the opportunity to streamline current processes and procedures to make them more proportional around activities required to risks presented

Appendices

*Add rows as required to box below

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.						
		1	2	3	4	5	6	7
A	Purchasing Card Policy – including supporting documents							

Background papers:

*Add rows as required to box below

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable) If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.						
	1	2	3	4	5	6	7
n/a							

Sign off:

Fin	akh.2 0.21.4 7	Leg	LS/35 040/J P/160 720	Mon Off		HR		Asset s		Strat Proc	HG/PS/550 /ED/0720
Originating Senior Leadership Team member: Andrew Hardingham											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: 14/07/2020											

Cabinet Member approval: *approved by email Cllr Chris Penberthy*

Date approved: 17/07/2020