

Audit and Governance Committee



Date of meeting:	22 March 2021
Title of Report:	Purchasing Card Policy
Lead Member:	Councillor Chris Penberthy (Cabinet Member for Housing and Co-operative Development)
Lead Strategic Director:	Brendan Arnold (Service Director for Finance)
Author:	Philip Symons
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Your Reference:	PSY01032021.a
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.

The amendments proposed further strengthen the councils zero tolerance to negligent and deliberate misuse of the Purchasing Card. Also reaffirming the importance, responsibility and culpability of those who are 'authorising' payment transactions.

Secondary amendments made to the referencing to a specific service provider to future proof the policy moving forward.

Recommendations and Reasons

I. That the committee approve the updated Purchasing Card Policy as identified above and detailed in Appendix A.

The Purchasing Card Policy governs the use of Council issued 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 follow additional stakeholder engagement with the Counter Fraud Services and Devon Audit Partnership. Primary changes include:

- i. Strengthening of language used when covering the subjects of negligence and fraud.

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 further strengthen 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 and national law.

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. No change is an option; the amends put forward contain necessary additions to ensure continued probity and accountability.

In the event of any 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 and authorising 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) <i>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.</i>						
		1	2	3	4	5	6	7
A	Purchasing Card Policy.v1.1 – including track change							

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) <i>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.</i>						
	1	2	3	4	5	6	7
n/a							

Sign off:

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Originating Senior Leadership Team member: Brendan Arnold											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: 11/03/2021											
Cabinet Member approval: <i>approved by email Cllr Chris Penberthy</i>											
Date approved: 11/03/2021											