

Committee Name and Date of Committee Meeting

Audit Committee – 24 September 2026

Report Title

Procurement Annual Update Report for 2026

Is this a Key Decision and has it been included on the Forward Plan?

No

Executive Director Approving Submission of the Report

Judith Badger, Executive Director of Corporate Services

Report Author(s)

Karen Middlebrook, Head of Procurement
01709 334755 or karen.middlebrook@rotherham.gov.uk

Ward(s) Affected

Borough-Wide

Report Summary

This report seeks to provide an update on procurement activity undertaken since the last update provided to Audit Committee in March 2025.

Recommendations

1. That Audit Committee note the content of the report and support the work being undertaken.

List of Appendices Included

Appendix 1 Procurement Strategy 2026 - 2031

Background Papers

1. [Procurement Act 2023](#)
2. [Procurement Regulations 2024](#)
3. [The Health Care Services \(Provider Selection Regime\) Regulations 2023](#)

Consideration by any other Council Committee, Scrutiny or Advisory Panel

N/A

Council Approval Required

No

Exempt from the Press and Public

No

Procurement Annual Update Report for 2026

1. Background

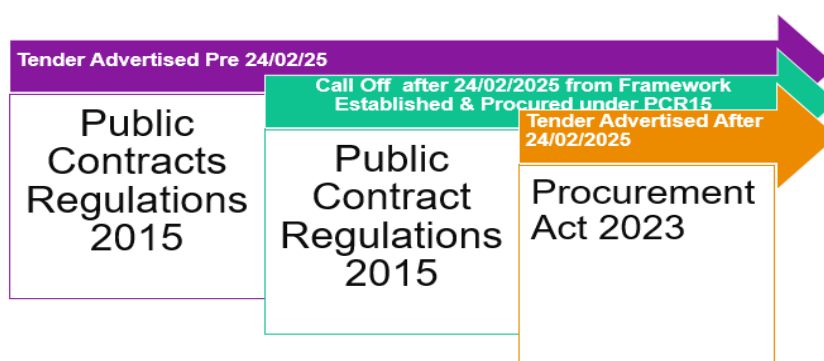
- 1.1 In 2025/26 the Council spent in excess of £450m on a wide range of goods, works and services ranging from (but not limited to) construction, transport and regeneration activity to commissioned care services for vulnerable children and adults through to business and professional services such as food, consultancy and ICT.
- 1.2 The role of the procurement function is to ensure this expenditure is made in compliance with procurement legislation (the Public Contracts Regulations 2015, Procurement Act 2023 or the Health Care Services (Provider Selection Regime) Regulations 2023) and the Council's own Financial and Procurement Procedure Rules (FPPRs). To do this it is essential that there are robust commissioning and procurement practices to ensure value for money is being achieved, ethical practices are being applied and the contracts the Council enters into are robust, deliver against key priorities and minimise risk.
- 1.3 The last annual update the Audit Committee was 11 March 2025. This report therefore seeks to provide an update for the period since this date.

2. Key Issues

2.1 Procurement Legislation

- 2.1.1 As provided in the previous 2 years Audit Committee updates, the landscape surrounding Procurement Legislation has been significantly changing. In February 2025 the new legislation (Procurement Act 2023 ("PA23")) governing public sector procurement activity was implemented for all new procurement activity commencing from the date of implementation.
- 2.1.2 Whilst the new legislation is in force, the old legislation (Public Contracts Regulations 2015 ("PCR15")) hasn't ceased to exist and will remain in force for a significant number of years to come. It will remain in force for as long as the last contract procured under the old regime is in existence.

Which Legislation Applies?



- 2.1.3. In addition, for Health-related contracts linked to Public Health activity the provisions of The Health Care Services (Provider Selection Regime) Regulations 2023 ("PSR") are applicable.
- 2.1.4 The uptake of activity under the PA23 and PSR has been slow, as the Council commenced a significant volume of large scale procurements before the changes came to allow the legislation sufficient time to bed in. However, during the period since the last update the Council has now undertaken a range of procurement exercises under all the different applicable legislation (examples include Kerbside Recycling under the PA23 and the All Age Drugs and Alcohol contract under the PSR).
- 2.1.5 Multiple pieces of legislation means it remains challenging to ensure correct processes are undertaken, notices are published and terminology/language is used, but this will become easier the more exposure the Council has in undertaking this activity.

2.2 Payment Performance

- 2.2.1 The PA23 has brought about a duty to report (twice yearly) on the Council's performance of paying its suppliers within 30 calendar days, through the publication of a Payments Compliance Notice. The first notice required publication before the deadline of 29 April 2026 covering the period 1 October 2025 to 31 March 2026. The Council's published notice can be found at the following [link](#), available on Gov.uk. This reports that the Council during this period (across all invoices paid irrespective of payment type or legislation), takes an average 12.39 days to pay, within 94.08% of invoices paid within 30 calendar days, which is supportive of the budget proposals supported in previous years to pay suppliers faster.
- 2.2.2 As the notices are open data, an analysis against the local authorities operating in the Yorkshire and Humber region where information was published has been undertaken, which sees the Council ranked 6th. Work and conversations are underway with finance colleagues about wider support to Services to improve this position.

2.3 Procurement Training

- 2.3.1 Procurement training continues to be delivered to officer across the Council as part of the Council's Management Development Programme. The training is delivered to new managers in the Council, but also to officers that feel they need a refresher. Since the last update training has been provided to c180 officers with a dedicated session delivered to the Regeneration and Environment directorate of over 60 officers.
- 2.3.2 This training sits alongside briefings on key issues relating to procurement activity to the Strategic Leadership Team (SLT), the Service Directors Group and the Wider Leadership Team.

2.4 Contract Management

- 2.4.1 As has been reported in last year's update, a Corporate Contract Management Reporting Dashboard has been implemented to capture contracts that are >£5m (inclusive of VAT) and could fall in scope of requiring contract performance notices to be published under the PA23. The dashboard is updated quarterly and reported through Directorate Leadership Teams, Executive Directors and SLT. Focussed work has taken place during this reporting period to improve the narrative that supports the performance rating of the Key Performance Indicators to ensure this is defensible if published in the public domain, and that where poor performance is identified, appropriate plans are being implemented to address the issue.
- 2.4.2 To support officers within Services with contract management responsibility, guidance has been developed to put into context the expectation and access to a comprehensive eLearning package developed by the Government Commercial Function has been provided with tracking of completions being recorded and reported back to SLT.

2.5 Procurement Strategy

- 2.5.1 In recognition of the work referred to above, and in response to a recommendation from the Council's external Auditor's value for money report, a procurement strategy has been developed for the period 2026-2031 (see Appendix 1).
- 2.5.2 The strategy sets out 6 key themes:
- Delivering Social Value
 - Upholding Ethical Procurement Principles
 - Ensuring Compliance and Good Governance
 - Strengthening Contract and Supplier Management
 - Supporting Financial Sustainability
 - Building a Strong and Diverse Supply Base
- 2.5.3 The strategy is not something that can be delivered solely by the Procurement Team, this needs to be considered as part of the wider commissioning lifecycle and all Services will have a role to play in delivering this activity. The strategy however, helps to frame the key priorities for the Service to better enable this to be understood by Services and the external supply market.

3. Options considered and recommended proposal

- 3.1 No options have been considered, as this is an update report on activity that has taken place, rather than recommended future proposals.

4. Consultation on proposal

- 4.1 No formal consultation has been undertaken on the actions detailed in this report. The Council is legally bound to comply with procurement legislation, and the work undertaken is supporting to the Council to operate compliantly under this legislative regime.

5. Timetable and Accountability for Implementing this Decision

- 5.1 Continued work will take place to continually improve commissioning and procurement activity and ensure compliance with legislation and relevant codes of best practice, which will be reported through Corporate Services DLT and SLT.

6. Financial and Procurement Advice and Implications

- 6.1 There are no direct financial implications from this report and the procurement implications are contained within the main body of this report.

7. Legal Advice and Implications

- 7.1 There are no direct Legal implications arising from this report.

8. Human Resources Advice and Implications

- 8.1 There are no direct Human Resource implications arising from this report.

9. Implications for Children and Young People and Vulnerable Adults

- 9.1 There are no direct implications arising from the recommendations detailed in this report.

10. Equalities and Human Rights Advice and Implications

- 10.1 There are no direct implications arising from the recommendations detailed in this report.

11. Implications for CO₂ Emissions and Climate Change

- 11.1 There are no direct implications arising from the recommendations detailed in this report.

12. Implications for Partners

- 12.1 There are no direct implications arising from the recommendations detailed in this report.

13. Risks and Mitigation

- 13.1 The main risk for the Council is it does not procure activity in compliance with the relevant legislation which will not only a negative reputational impact on the Council but could also lead to contracts being paused with legal challenges take place, which could result in remedies including contracts being set-aside and/or the payment of damages. This risk is being mitigated through escalation processes.

Accountable Officer

Rob Mahon; Service Director – Financial Services
Karen Middlebrook; Head of Procurement

Approvals obtained on behalf of:

Report Author: Karen Middlebrook, Head of Procurement
01709 334755 or karen.middlebrook@rotherham.gov.uk
This report is published on the Council's [website](#).