

# **Cabinet**

## **7 September 2021**

### **Additional Procurement Forward Plan Report – over £500k (2021-2022)**

#### **For Decision**

**Portfolio Holder:** Cllr. G Suttle, Portfolio Holder for Finance, Commercial & Capital Strategy

**Local Councillor(s):** All

**Executive Director:** A Dunn, Executive Director, Corporate Development

**Report Author:** Dawn Adams  
**Title:** Service Manager Commercial & Procurement  
**Tel:** 01305 221271  
**Email:** dawn.adams@dorsetcouncil.gov.uk

**Report Status:** Public

#### **Recommendation:**

The Cabinet is asked to consider the contents of this report in respect of proposed contracts as set out in Appendix 1 which are in addition to those on the forward plan approved by Cabinet on 2 March 2021 and that Cabinet agree:

1. To begin each of the procurement processes listed in Appendix 1 to this report.
2. That in each instance the further step of making any contract award should be delegated to the relevant Cabinet portfolio holder, after consultation with the relevant Executive Director.

#### **Reason for Recommendation:**

Cabinet is required to approve all key decisions with financial consequences of £500k or more. It is also good governance to provide Cabinet with a summary of all proposed procurement prior to them formally commencing.

Planning procurements ensures:

- effective stakeholder management;
- efficient commissioning and sourcing;
- compliance with regulations and contract procedure rules; and
- best value for money is clearly defined.

## **1. Executive Summary**

- 1.1 The Council defines key decisions as those with a financial consequence of £500k or more.
- 1.2 The Commercial & Procurement team have worked with colleagues across the Directorates to review the contracts database and establish a procurement programme for 2021-22. The procurement forward plan report was approved by Cabinet on 2 March 2021. As stated in the said report, as service and transformation plans are developed it may be necessary to bring further approval requests to Cabinet.
- 1.3 Additional procurement activity, within the 2021-22 procurement programme, that are known/likely to secure contracts exceeding the £500k threshold are set out in Appendix 1 for Cabinet's consideration. The information shown includes the maximum terms of the proposed contracts and the estimated total value over the contract term.

### **Corporate Procurement Process**

- 1.4 The Council's Corporate Procurement Strategy (2020-22), as approved by Cabinet 8<sup>th</sup> September 2020, underpins all procurement activity and provides the mechanism to ensure that procurement takes place in accordance with the Council's strategic aims, that it is effective and delivers best value to Council residents. This means that procurement decisions under the corporate procurement process considers, as appropriate, quality and all the costs that will be incurred by the Council throughout the life of a contract period, or asset, not simply the price. Optimum results are achieved by early market engagement before commencing procurement, to achieve good response from suppliers. Robust contract management, in accordance with the Contract Management Procedure Guide and Guide to Managing Contract Criticality, shall ensure what has been procured is delivered to meet the initial requirements within the contracted terms and conditions, and represents value for money.

The Council's commercial approach to procurement activity is based on the requirement for efficiency, cost effectiveness and meeting needs. This approach reflects the wider economic context in which the Council operates and the risks and opportunities this offers.

## **Urgent Decisions**

- 1.4 This report reminds Cabinet that, there may be occasions where the Council has to take urgent action in response to a situation where there is not sufficient time to seek formal approval at a Cabinet meeting (which has to be called on notice) of a key decision, prior to spending over £500k.

Such occasions are usually rare, for example the Covid-19 pandemic has meant that the Council has had to respond at scale and pace to national priorities and funding initiatives.

- 1.6 Where there is an urgency, the Scheme of Delegation within the Council's Constitution allows for such decisions to be made which can be executive or non-executive in nature, depending on the delegation given.

Part 3 of the Scheme of Delegation specifies the Chief Officers responsibilities. Paragraph 32 explains the circumstances in which the delegation can be used:

“In any cases which s/he considers to be urgent, to discharge any function and deliver any service within the Chief Officers responsibility, other than those functions which can only be discharged by the Council or a specific Committee. This delegation is subject to the following conditions:

- a) prior consultation with the Monitoring Officer and the Section 151 Officer;
- b) consultation with the appropriate Executive Member or the Chairman of the appropriate Committee; and,
- c) to the extent it will incur expenditure from working balances and/or reserves, the prior approval of the s151 Officer.”

- 1.6 Where urgency means that it is not possible to convene a Cabinet meeting on notice then to ensure transparency a decision notice is prepared giving details of the decision made and the reasons for it and the notice is published on the website. Call-in does not apply to an urgent decision but the relevant Chief Officer can be called to account for their decision at a meeting of the relevant scrutiny committee.

## **2. Financial Implications**

- 2.1 Service budgets do incorporate funding required for the procurements set out in this report.

The following to be considered by the appropriate project team as part of the business case and rationale for each procurement:

- How best value from the procurement / contract will be achieved.
- How the contract and supplier(s) will be effectively managed in order to deliver saving targets that are incorporated into the MTP.
- Whether funding is available the budget for the provision, after savings have been account for.

### **3. Well-being and Health Implications**

- 3.1 To be considered by the appropriate project team as part of the business case and rationale for each procurement.

### **4. Climate implications**

- 4.1 To be considered by the appropriate project team as part of the business case and rationale for each procurement.

### **5. Other Implications**

#### **5.1 National Procurement Policy Statement (NPPS)**

The Government is developing major legislation reforms for public procurement (set out in its Green Paper on Transformation Public Procurement) which will deliver a new regulatory regime that better meets the needs of the UK.

A head of these reforms, the Government's National Procurement Policy Statement (NPPS) [published 3 June 2021], under Procurement Policy Note 05/21 <sup>①</sup>, sets out that contracting authorities procurement activity must support the delivery of national public sector policy priorities, including generating economic growth, helping our communities recover from the Covid-19 pandemic, and supporting the transition to net zero carbon. That the importance of efficient, effective public procurement has been underlined by the Covid-19 pandemic and that it can play a significant role in the country's economic recovery.

<sup>①</sup> <https://www.gov.uk/government/publications/procurement-policy-note-0521-national-procurement-policy-statement>

This Statement instructs that contracting authorities should have regard to the following national priorities in exercising their functions relating to procurement.

#### Social Value

Creating new businesses, new jobs and new skills; tackling climate change and reducing waste, and improving supplier diversity, innovation and resilience.

### Commercial and procurement delivery

All contracting authorities should consider whether they have the right policies and processes in place to manage the key stages of commercial delivery and identified in this statement, where they are relevant to their procurement portfolio.

### Skills and capability for procurement

All contracting authorities should consider their organisational and capacity, with regard to the procurement skills and resources to deliver value for money.

- 5.2 This report provides assurance to Cabinet that the Council's procurement activity will take into consideration the requirements of this newly published Government statement, NPPS.
- 5.3 It should be noted that the Council's Corporate Procurement Strategy (2020-2022) contains similar considerations that are within the NPPS which are across the objectives: People, Skills and Development; Strategic Sourcing; Contract Management; Partnership Working; Maximising the Dorset Pound; Climate and Ecological Emergency.

This report reminds Cabinet that the Strategy sets that at least 5% evaluation weighting should be applied within procurement activity in respect of Social Value outcomes such as: Local Employment; Buy Local; Partners in Communities; Good Employer; Green and Sustainable; and Ethical Procurement.

The Council's own approach to procurement activity and its Strategy does compliment the published NPPS however the Strategy is subject to review to ensure it continues to reflect the needs and the aspirations of the Council.

## **6. Risk Assessment**

- 6.1 Having considered the risks associated with this decision, the level of risk has been identified as:

Current Risk:       LOW  
Residual Risk:     LOW

- 6.2 Level of risk per procurement to be considered by the appropriate project team as part of the rationale for each procurement.

## **7. Equality Impact Assessment**

7.1 To be carried out by the appropriate project team as part of the business case and rationale for each procurement.

## **8. Appendices**

8.1 Appendix 1 – Additional Procurements Planned for 2021-22 exceeding £500k.

## **9. Background Papers**

9.1 None

### **Footnote:**

Issues relating to financial, legal, environmental, economic and equalities implications have been considered and any information relevant to the decision is included within the report.

**Appendix 1 - Additional Procurements Plans for  
2021/2022 exceeding £500,000**

<b>Contract Description</b>	<b>Directorate / Portfolio Lead</b>	<b>Executive Director</b>	<b>Contract Term (max)</b>	<b>DC Total Spend over Contract Term</b>	<b>Sourcing Strategy</b>	<b>Public Services (Social Value) Act 2012</b>	<b>Risk Category</b>
Provision of NRSWA* Inspection & Consultancy Services	Place / Cllr Ray Bryan	John Sellgren	5 years	£1,250,000	Tender	Yes	Low
Print Materials and Mailshot Services	Corporate / Cllr Gary Suttle	Aidan Dunn	4 years	£1,600,000	Tender	Yes	Low
5G rollout – Lulworth Ranges (MOD)	Place / Cllr Tony Ferrari	Aidan Dunn	2 years	£1,300,000**	Tender	Yes	Medium
Family Based Short Breaks	People - Children's / Cllr Andrew Parry	Theresa Levy	7 years	£1,435,000	Tender	Yes	Medium
Assertive Rough Sleeper Outreach and Navigator Service	People – Housing / Cllr Graham Carr-Jones	Vivienne Broadhurst	8 years	£1,477,200	Tender	Yes	Low
Wholesale Connectivity (WAN, SIP, PSTN)	Corporate / Cllr Gary Suttle	Aidan Dunn	5 years	£2,000,000	Framework	Yes	Low
Purchase of Winter Maintenance Gritting Vehicles	Place / Cllr Ray Bryan	John Sellgren	One-off purchase	£1,150,000	Framework	Yes	Low
Corporate Vehicle Body Repair Service	Corporate / Cllr Gary Suttle	Aidan Dunn	4 years	£1,000,000	Tender	Yes	Low

*\* New Roads and Street Works Act (NRSWA)*

*\*\*Funded by MOD (monies transferred to DC) with DC acting as the Contracting Body*

