

Cabinet

1 March 2022

Procurement Forward Plan Report – over £500k (2022-23)

For Decision

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

Local Councillor(s): Cllr

Executive Director: A Dunn, Executive Director, Corporate Development

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Report Status: Public

Recommendation:

The Cabinet is asked to consider the contents of this report in respect of proposed contracts that are set out in Appendix 1 and that Cabinet agree:

1. To begin each of the procurement processes listed in Appendix 1 to the 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 procurements prior to them formally commencing.

Planning procurements effectively ensures:

- effective stakeholder management
- efficient commissioning and sourcing
- compliance with regulations and contract procedure rules
- 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. This report provides notice of the planned / known procurement activities that Cabinet will need to make key decisions on for 2022/23.
- 1.2 Commercial & Procurement have worked with colleagues across the Directorates to review the contracts database and establish a procurement programme for 2022/23. Procurement activity, within that programme, that are known/likely to secure contracts exceed the £500k threshold are set out in Appendix 1 for Cabinet's consideration. The information shown includes the anticipated maximum term of the proposed contracts and the estimated total value over the term.
- 1.3 Whilst this report is in respect of 2022/23 procurement activity, the approach of Commercial & Procurement is to review potential future activity by forward looking over a 5-year period of contracts that may have break points or due to expire, and any potential new needs. This is part of the commissioning, planning and pre-procurement process between Commercial & Procurement and colleagues across the Directorates.

Corporate Procurement Process

- 1.3 The Council's Commercial Strategy – Commissioning and Procurement, as approved by Cabinet on 8 November 2021, underpins all the Council's commissioning and procurement activities. It provides the mechanism to ensure that such activity takes place in accordance with the Council's strategic aims, that it is effective and delivers best value to residents.

Having effective commissioning and procurement is crucial in the light of ever challenging budget reductions. In this context, delivery of the Council's ambitions requires resourcefulness, being more commercially minded and more business-like in the approach. Contract award decisions need to take account, as appropriate, of quality, social value and all the costs that will be incurred by the Council throughout the life of a contract period, or asset, not simply the initial price.

A proactive and consistency approach to supplier and contract management shall ensure that any identified efficiencies, savings, and service quality improvements are achieved. As such, contract

management must be robust and effective, in accordance with the Council's Contract Management Procedure Guide and Guide to Managing Contract Criticality, to ensure what has been attained at point of procurement is delivered in contract and represents value for money.

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

- 1.4 This report is based upon the current commissioning intentions of each Directorate's concerned, that will require a procurement activity to secure a contract with an estimated total value over £500k. As service and transformation plans continue to be developed it may be necessary to bring further requests to future Cabinet meetings for approval.

Urgent Decisions

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

Such occasions are usually rare, but the 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.'

- 1.7 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 to deliver saving targets that are incorporated into the MTP.
- Whether full funding is available in the budget for the provision, after savings have been account for.
- How best to assess the contract performance and supplier relationship to ensure expectations in respect of any annual price increase amid a higher level of inflation that has not been experienced for many years.

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)

Cabinet to note that 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.

These Reforms are unlikely to come into effect before 2024. However ahead of any legislative change, the Government has published a National Procurement Policy Statement (NPPS) ^① that makes it clear to

contracting authorities that they should use procurement activity to support:

- the delivery of national public sector policy priorities, including generating economic growth
- communities to recover from Covid-19 pandemic
- the transition to net zero

Under the NPPS, the Government sets out the importance of efficient, effective public procurement and that it has a significant role to play in the country's economic recovery following the Covid-19 pandemic.

- 5.2 This report provides assurance to Cabinet that the Council's Commercial Strategy and approach to commissioning and procurement compliments and supports the NPPS.

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

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. Equalities Impact Assessment

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

8. Appendices

- 8.1 **Appendix 1** – 2022 / 2023 procurement forward plan where the estimated total contract value is expected to exceed £500,000

9. Background Papers

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

2022 / 2023 procurement forward plan where the estimated total contract value is expected to exceed £500,000

Contract Description	Directorate / Portfolio Lead	Executive Director	Contract Term (max)	DC Total Spend over Contract Term	Sourcing Strategy	Public Services (Social Value) Act 2012	Risk Category
Direct Payment and Individual Service Fund Support Services	People - Adults / Cllr Peter Wharf	Vivienne Broadhurst	7 yrs	£700,000	Tender	Yes	Low
Public Notices Advertising	Corporate / Cllr Jill Haynes	Aidan Dunn	4 yrs	£850,000	Tender	Yes	Low
Family Support Packages	People - Children's / Cllr Andrew Parry	Theresa Levy	3 yrs	£750,000	Tender	Yes	Low
Rough Sleeper Initiative	Housing / Cllr Graham Carr-Jones	Vivienne Broadhurst	2 yrs 9 months	£2,062,500	Tender	Yes	Low
Dorset Accessible Homes inc Sensory Impairment Prevention and support	People - Adults / Cllr Peter Wharf	Vivienne Broadhurst	7 yrs	£26,188,981	Tender	Yes	Low
Integrated Community Equipment Service " Equip for Living " Contract (BCP are the lead with Dorset Council as a funding partner under a section 75 agreement)	People - Adults / Cllr Peter Wharf	Vivienne Broadhurst	7 yrs	£8,624,840	Tender	Yes	Low

Framework for Supply of Highway Construction Materials	Place / Cllr Ray Bryan	John Sellgren	4 yrs	£7,500,000	Tender	Yes	Low
Framework for the Supply of Operated and Self-operated Plant Hire	Place / Cllr Ray Bryan	John Sellgren	4 yrs	£6,000,000	Tender	Yes	Low
Highways Waste and Recycling Framework	Place / Cllr Ray Bryan	John Sellgren	4 yrs	£800,000	Tender	Yes	Low
Liberty Protection Safeguards and Advocacy Service	People – Adults / Cllr Peter Wharf	Vivienne Broadhurst	5 yrs	£1,308,500	Tender	Yes	Low
Integrated Prevention	People – Adults / Cllr Peter Wharf	Vivienne Broadhurst	4 yrs	£4,000,000	Tender	Yes	Low
Building Cleaning and Window Cleaning	Place / Cllr Tony Ferrari	John Sellgren	6 yrs	£15,000,000	Tender	Yes	Low