



CABINET

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To: Councillors Bailey, Barkley (Deputy Leader), Bokor, Harper-Davies, Mercer, Morgan (Leader), Poland, Rattray and Rollings (for attention)

All other members of the Council
(for information)

You are requested to attend the meeting of the Cabinet to be held in Committee Room 1, at the Council Offices, Southfields, Loughborough on Thursday, 7th July 2022 at 6.00 pm for the following business.

Chief Executive

Southfields
Loughborough

24th June 2022

AGENDA SUPPLEMENT

9. AMENDMENTS TO ANNUAL PROCUREMENT PLAN 2 - 8

A report of the Strategic Director; Commercial Development, Assets and Leisure.

Key Decision

CABINET – 7TH JULY 2022

Report of the Strategic Director – Commercial Development, Assets & Leisure Lead Member: Councillor Tom Barkley

Part A

ITEM 9 UPDATES TO THE ANNUAL PROCUREMENT PLAN 2022/23

Purpose of Report

This report sets out updates to the Annual Procurement Plan for Charnwood Borough Council for 2022/23. It is a requirement of the Council's Contracts Procedure Rules that this report is submitted for the consideration of the Cabinet at the beginning of each financial year with quarterly updates through the financial year.

Recommendations

1. That the contracts, over £25,000 and up to £75,000, listed in Appendix A be let in accordance with Contract Procedure Rules.
2. That the contracts, over £75,001 and up to £500,000, listed in Appendix B be let in accordance with Contract Procedure Rules.
3. That Cabinet note the future direction of updates to the Annual Procurement Plan as set out in Part B of this report.

Reasons

- 1.& 2. To allow contracts of the Council to be let in accordance with contract procedure rules.
3. To make Cabinet aware of forthcoming changes that will be forthcoming that will change processes to make them more efficient but will not dilute governance or transparency.

Policy Justification and Previous Decisions

This links with the Council's strategic aim for a well-managed council.

Implementation Timetable including Future Decisions and Scrutiny

Contracts will be let in accordance with the timetables in appendices A and B.

Report Implications

The following implications have been identified for this report.

Financial Implications

There are no direct financial implications arising from this report as expenditure will be funded from existing budgets.

Risk Management

The risks associated with the decision Cabinet is asked to make and proposed actions to mitigate those risks are set out in the table below.

Risk Identified	Likelihood	Impact	Overall Risk	Risk Management Actions Planned
Failure to follow the agreed Council Procedures and, as a consequence, not obtaining best value procurement	Unlikely (2)	Serious (3)	Moderate (6)	Wide circulation of 'reasons to meet the Rules' and provide advice to officers needing to use the Rules
Failure to follow UK procurement rules by not advertising the Find a Tender service (FTS) above a threshold.	Unlikely (2)	Serious (3)	Moderate (6)	Wide circulation of information relating to contract compliance, advice and service in placing requisite advert in FTS for officers in service areas.

Key Decision: Yes

Background Papers: None

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Part B

Background

1. The Contract Compliance Rules require the Contract Compliance Officer to submit a report at the beginning of the financial year showing details of contracts to be let above £25,000 and below £500,000. In approving the report, Cabinet will agree for each contract the form of tender evaluation arrangements, whether the tender specification needs to be approved by Cabinet and whether authority is delegated to the Contract Compliance Officer to agree exceptions and open negotiation procedures.
2. Having an Annual Plan does not allow sufficient flexibility for goods and services that are found to be required during the year. Therefore, to avoid individual reports being submitted for each contract, and to encourage services to adhere to the Contract Compliance Rules, update reports will be produced with contracts to be let in the second, third and fourth quarters of the year.

Procedure

3. Heads of Service have been contacted with a view to producing an update to the plan for 2022/23 and details of all contracts that Heads of Service have asked to be included are given in the Appendices attached to this report. The contracts have been divided into those contracts estimated to cost between £25,000 and £75,000 and those contracts between £75,001 and £500,000.
4. For contracts up to £75,000, it is recommended that, in line with Quotation and Tender procedures the relevant Head of Service should deal with these by requesting 3 written quotations. In cases where a quotation other than the lowest is accepted, authority has been given to the Contract Compliance Officer to authorise a waiver or exception to the Contract Procedure Rules. Contracts falling under this authority have been itemised in Appendix A to this report.
5. For contracts in excess of £75,000, a written specification must be prepared, and tendering completed in line with Contract Procedure Rules. Contracts falling under this authority have been itemised in Appendix B to the report.
6. Contracts above the £500,000 threshold need to be reported separately to Cabinet during the year before procurement begins.

Additions to the Plan

7. Additions to the Plan for contracts between £25,000 and £75,000 are listed in Appendix A.

7. Additions to the appendices for contracts between £75,001 and £500,000 are listed in Appendix B.

Future Direction of the Updates to the Annual Procurement Plan

8. Updates to the Contract Compliance Rules are delegated to the Strategic Director – Commercial Development, Assets and Leisure. It is the intention of the delegated officer that changes will be made to those rules that will render updates to the Annual Procurement Plan redundant. These updates add little value as their addition to the plan does not add value to the execution of their procurement, i.e. the law, regulation, the Council's constitution and the Council's policies still apply. Indeed, this type of update to the plan, reviewed and noted by Cabinet, does not exist at many Local Authorities and is a local requirement only.
9. For clarity, the procedures required for procurement activity will not be changed, merely the advance notification that these procurements *may* take place will be eliminated. This will reduce the burden on officers to manage this administrative task as well as reduce the burden on Cabinet to receive/approve this paper at regular intervals.
10. Controls that will remain in place are:
 - Key Decisions (Section 13.6 of the Constitution) where
 - a) spend of £150k or more (in either Capital or Revenue) or
 - b) where 2 or more wards are affectedare subject to call-in and 28 days' prior notification to Members.
 - The Capital Plan remains in force, such that it must be approved by Council, and capital spend cannot occur without forming part of the approved plan.
 - The Contract Compliance rules, and the regulations upon which they are based, will not change in their requirements for procurement processes. Further, Cabinet approval of procurement for contracts in excess of £500,000 will remain.
 - The Senior Leadership Team and/or the Contract Compliance Officer remain in situ to advise on the best route for procurement activity and will recommend, if appropriate, that procurements requiring the notification of members be reported to Cabinet requesting the appropriate approvals and delegations.
 - Regular budget monitoring, as part of prudent financial management, occurs with Senior Leadership and with Cabinet to monitor revenue spend throughout the financial year.

Appendices

Appendix A – Contracts between £25,000 and £75,000

Appendix B – Contracts between £75,001 and £500,000

APPENDIX A

Annual Procurement Plan 2022/2023 – Contracts Greater than £25,000, but less than £75,000

NO UPDATES SUBMITTED

APPENDIX B**Annual Procurement Plan 2022/2023 – Contracts Greater than £75,001, but less than £500,000**

No.	Service Area	Contract Title / Description	Tendering Method: (Full Tender)	Delegation to Contract Compliance Officer	Procurement Start:
1	Landlord Services	Rent Payment Predictive Analytics	Tender	No	21/10/2022
2	Democratic Services	Audio visual equipment installation at the Town Hall	Tender	No	01/10/2022