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**PROCUREMENT PLAN - UPDATE**

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**Responsible Cabinet Member – Councillor Stephen Harker  
Efficiency and Resources Portfolio**

**Responsible Officer - Catherine Whitehead, Assistant Chief Executive**

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**SUMMARY REPORT**

**Purpose of the Report**

1. A full report on the Annual Procurement Plan was previously taken to Cabinet in April this year. The purpose of this report is to present and update of the Procurement Plan and for Cabinet to consider and approve.

**Summary**

2. Under the Contract Procedure Rules one of the responsibilities for Cabinet is to agree the Procurement Plan that will identify the route that contracts will take ie Cabinet decisions for all strategic procurement activity and officer decisions for routine procurement.
3. A set of criteria has been developed to assist in determining whether a contract would be deemed strategic or non-strategic. The criteria are based on value and significance with each category being scored between one (low significance) and five (high significance). Any contract with a value in excess of £5,000,000 is automatically deemed strategic. If the value of the contract falls below £5,000,000 but scores 15 or more on significance then that is also considered strategic. However Members and Officers may decide to recommend other than what the score suggests.
4. This report covers new contracts and the contracts that officers are aware will terminate in the next 12 months and need to be tendered through open competition. They have been assessed against an agreed set of criteria to determine whether they are strategic or non-strategic (see **Appendix 1**).

**Recommendation**

5. It is recommended that :-
  - (a) Members approve the assessment of strategic and non-strategic contracts as presented in **Appendix 1** and that:

- (i) further reports on the procurement process for those contracts designated as strategic be brought to Cabinet for approval and the contract award decision be made by Cabinet.
- (ii) the contract award decisions for the contracts designated as non-strategic be delegated to the appropriate Director as listed in the plan at Appendix 1.

## **Reasons**

6. The recommendations are supported by the following reasons: -
- (a) The Contract Procedure Rules require Cabinet to approve the designation of contracts as strategic and non-strategic.
  - (b) The contracts designated strategic are of high value and high significance in respect of the impact on residents, Health and Safety and public safety.
  - (c) The contracts designated non-strategic are of a lower value and lower significance in respect of the impact on residents and public safety

**Catherine Whitehead**  
**Assistant Chief Executive**

## **Background Papers**

No Background papers were used in the preparation of this report.

Luke Swinhoe: Extension 2055

S17 Crime and Disorder	This decision will not have an impact on Crime and Disorder
Health and Well Being	This decision will not have an impact on Health and Wellbeing
Carbon Impact	This decision will not have a direct impact on the Council's carbon footprint.
Diversity	This decision will not have an impact on Diversity
Wards Affected	This decision will not affect any wards
Groups Affected	This decision will not have an impact on any groups.
Budget and Policy Framework	This report does not recommend changes to the Budget and Policy Framework
Key Decision	Yes
Urgent Decision	No
One Darlington: Perfectly Placed	This decision will not have an impact on the objectives of the Sustainable Community Strategy
Efficiency	The production of the update to the Procurement Plan is designed to save Member and officer time for requesting delegated powers to make contract award decisions.

## MAIN REPORT

### Information and Analysis

7. Any contract award decision with a value below £75,000 is delegated to officers. Under the Contract Procedure Rules an annual Procurement Plan is produced listing details of all existing and new contracts that are above £75,000 and which require a tender process.
8. The Contract Procedure Rules state that if a contract has not been included on the Annual Procurement Plan a separate report must be taken to Cabinet to determine if it is deemed strategic or non-strategic.
9. For those contracts designated strategic, a procurement strategy must be produced and presented to Cabinet. The final contract award decision will be a Cabinet decision. As set out in the Contract Procedure Rules the contract award decision for those contracts not considered strategic will be through delegation to officers.

### Assessment of Contracts

10. The contracts have been assessed against the criteria agreed by Cabinet, the criteria are provided at **Appendix 2** for information. Details of which contracts are designated strategic and which are designated non-strategic are detailed in Appendix 1. However, Members and Officers may decide to recommend other

than what the score suggests. Anything else would be considered non-strategic.

11. Based on the criteria there are 7 contracts that are designated strategic:
- (a) MSCP – The Council needs to carry out a procurement of a developer to construct the new multi storey car park that is to be built on the Beaumont Street/Feethams site. Consideration will be given to the use of available frameworks such as the SCAPE framework.
  - (b) Placements for looked after children – the Council is to participate in the development of a collaborative framework involving the five Tees Valley Councils to procure individual placements in residential homes for looked after children.
  - (c) Placements for children with SEN – the Council is to participate in the development of a collaborative framework involving the 12 North East Councils to provide individual placements for children with special educational needs.
  - (d) Civic Theatre – the Council needs to procure a design and build contractor to carry out the refurbishment works at the Civic Theatre.
  - (e) Agency staff contract – the current agency framework procured by the Council will expire in March 2015 and it is proposed to join the North East Procurement Organisation (NEPO) agency framework from April 2015.
  - (f) Framework Agreement for Provision of Works for Contractors – there is currently a Council procured framework in place for the areas of work which the Council cannot resource internally. It is proposed to re-procure the framework.
  - (g) Framework Agreement for Highways Surfacing - it is proposed the Council re-procure the current framework, in collaboration with the other North East Authorities and York City Council.

### **Outcome of Consultation**

12. No consultation was carried out in preparation of this report.