
PROCUREMENT PLAN - UPDATE

Responsible Cabinet Member – Councillor Harker, Efficiency and Resources Portfolio

Responsible Director – Paul Wildsmith, Director of Resources

SUMMARY REPORT

Purpose of the Report

1. The purpose of this report is to present and update of the Procurement Plan to Cabinet for approval.

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 i.e. 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 1 (low significance) and 5 (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 Members approve the assessment of strategic and non-strategic contracts as presented in **Appendix 1** and that:
 - (a) the procurement strategies for those contracts designated as strategic be brought to Cabinet for approval in advance of the tenders being issued and that the contract award decision be made by Cabinet.

- (b) 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 and:
 - (b) The contracts designated strategic are of high value and high significance in respect of the impact on residents, Health & 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

**Paul Wildsmith,
Director of Resources**

Background Papers

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

Susan White: Extension 2019

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 three contracts that are designated strategic: -
 - (a) **New Framework for Domiciliary Care** - The Council currently has two Frameworks in place one to cover Domiciliary Care & Domiciliary Continuing Health Care for Adults and Older People and the other to cover Provision of Personal and Housing Related Support for Adults with a Learning Disability. Following a review of the services a decision has been made to combine the two frameworks, it is anticipated that the new framework will offer greater efficiencies in both process and cost.
 - (b) **TVBNI Inner Ring Road scheme** – This project forms part of a larger approved scheme to improve the regions bus network. This procurement represents a high value contract with high significance therefore the contract should be considered strategic.
 - (c) **Construction of an Innovation Centre** – The Council, working with Homes and Communities Agency, is currently developing a scheme to construct an Innovation Centre. The funding for the construction will be from a combination of ERDF and HCA money. It is not known exactly what the cost will be but it is anticipated that the budget would not be less than £5,000,000 therefore this would automatically be considered a strategic procurement. Please note that this construction will only go ahead if the bid to the ERDF is successful.

Outcome of Consultation

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