
ANNUAL PROCUREMENT PLAN

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

Responsible Officer - Ada Burns, Chief Executive

SUMMARY REPORT

Purpose of the Report

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

Summary

2. Under the Contract Procedure Rules one of the responsibilities of Cabinet is to agree the Procurement Plan. This involves consideration of whether contracts are going to be classified as strategic. For those contracts that are strategic details of the proposed route that contracts will take will be set out and Cabinet will receive further reports on the progress of all strategic procurement activity.
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 2**).

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 (including decisions made by the Procurement Board) be brought to 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.
 - (iii) the contract award decisions for the contracts designated as strategic, as listed in the plan at Appendix 1, be delegated to the Procurement Board to approve and will be reported back to Cabinet.

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 likely to be 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 likely to be of a lower value and lower significance in respect of the impact on residents and public safety

Ada Burns
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 £100,000 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 £100,000 or above and which require a tender process.
8. This then allows Cabinet to be advised of the contracts of £100,000 and over and to decide which of those contracts are strategic. Contracts that are considered strategic will be delegated to the Procurement Board for approval. The decisions made by Procurement Board will subsequently be reported back to Cabinet. The balance of contracts of £100,000 and above which are not determined to be strategic will be dealt with by officers under delegation.
9. 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.
10. For those contracts designated strategic a procurement strategy must be produced and presented to Cabinet. The final contract award decision will be approved by the Procurement Board will be reported to Cabinet.

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

11. 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.
12. Based on the criteria there are four contracts that are designated strategic:
 - a) **Framework for Individual residential children's home placements** – DBC are leading on behalf of Hartlepool, Middlesbrough, Redcar and Stockton Councils. The Framework will cover the provision for residential children's home for children who are Looked After by the local authorities.
 - b) **Framework for Highways Surfacing** – DBC are leading on behalf of the NEPO Authorities on the renewal of the current Tees Valley re-surfacing framework, which will now include all the 12 northeast Authorities.
 - c) **Home Care and Support** - Framework for the Provision of Home Care and Support for Adults and Older People.
 - d) **Solar PV** - Installation of Solar PV to Council owned assets – the Council will procure the installation of solar PV via a pre-established OJEU compliant framework.

Outcome of Consultation

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