

**CABINET
13 APRIL 2021**

ANNUAL PROCUREMENT PLAN

**Responsible Cabinet Member – Councillor Charles Johnson,
Resources Portfolio**

Responsible Officer – Paul Wildsmith, Managing Director

SUMMARY REPORT

Purpose of the Report

1. To present the Annual Procurement Plan to Cabinet for approval. Cabinet are asked to consider and approve the assessment of contracts that are considered to be strategic or non-strategic.
2. To update Cabinet on the outcomes of procurement(s) previously designated as Strategic.
3. To update Cabinet about the decisions taken by the Procurement Board to waive the Contract Procedure Rules.

Recommendation

4. 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/ updates 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

5. In respect of strategic/non-strategic contracts, 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) 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.
6. In respect of Procurement Board waiver decisions, the recommendations are supported by the following reasons: -
- (a) In order to comply with the Contract Procedure Rules.
 - (b) To provide Cabinet with information about the decisions made by the Procurement Board.
 - (c) To supplement the reports that are taken to Cabinet about proposed spend over £100,000, that are set out in the Annual Procurement Plan and the in year update to that report.

Paul Wildsmith
Managing Director

Background Papers

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

Patrick Saunders: Extension 5493

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 and Climate Change	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.
Impact on Looked After Children and Care Leavers	This report has no impact on Looked After Children or Care Leavers

MAIN REPORT

Information and Analysis

Strategic Contracts

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.
9. For those contracts designated strategic the final contract award decision will be approved by the Procurement Board and will be reported to Cabinet.

Assessment of contracts

10. Details of which contracts are designated strategic and which are designated non-strategic are detailed in Appendix 1. The contracts have been assessed against the criteria agreed by Cabinet, the criteria are provided at **Appendix 2** for information. 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 in the update to the Annual Plan;
 - (a) **0 – 19 Years Service (up to 25 years for those with special needs)**
Public Health support for children and families through health visiting and school nursing services, to be procured via an Open Tender Process.
 - (b) **Flexible Free Entitlement (FFE) and early education - block contract awarded to all providers on tariff rate for 15/30 hours early years entitlement.**
Entitlement to 15/30 hours of free early education for children aged 3 and 4 years old. Contracts awarded to all providers on tariff rate for 15/30 hours early years entitlement.
 - (c) **New Build Housing Project - Neasham Road**
Procurement activity will be via the Contractors Dynamic Purchasing System or where applicable a quote or tender process.
 - (d) **Framework Agreement for Joint Venture Residential Development with Darlington Borough Council**
The current Joint Venture Agreement comes to an end in October 2021, a new procurement exercise will be undertaken following a 12-month extension to the original contract term in line with the Public Contracts Regulation 2015.

Update on Procurements previously designated as Strategic

12. Darlington Station Improvements: Station Gateway Project. Design and Build of a multi-storey car park, incorporating the shell of an additional station building, transport interchange and public realm improvements immediately to the east of Darlington Bank Top Station – This contract has been procured via the SCAPE (Public Sector Construction) framework.
13. Flexible Free Entitlement (FFE) and early education - block contract awarded to all providers on tariff rate for 15/ 30 hours early years entitlement - Awarded to all providers on the basis of the DFE grant funding terms.

Procurement Board waiver decisions

14. Under the Contract Procedure Rules, the Procurement Board may waive the Contract Procedure Rules in specific circumstances and is required to report waiver decisions that have been made to Cabinet.
15. The Contract Procedure Rules can only be waived as an exception. The Contract Procedure Rules require the Procurement Board when considering requests for waivers to take into account the following:
 - (a) The contract value and the length of the proposed contract.
 - (b) What steps have been taken to satisfy that the best value duty has been complied with (for instance quotations, market testing).
 - (c) The extent to which there are good reasons why it is not possible to undergo a competitive process (for instance, pressing need or urgency, where further work is required before going to market, where only a short contract extension is needed, or the lack of an available market).
 - (d) Whether the new contract is intended to be a stop gap prior to undergoing a competitive process.
 - (e) The availability of compliant alternatives to direct awards, such as frameworks.
 - (f) Any other reason that is being given by the commissioning area.
16. This report details the circumstances and the reasons why the contract procedure rules have been waived by Procurement Board at **Appendix 3**, during the period to end May 2020.

Outcome of Consultation

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