

TELFORD & WREKIN COUNCIL

CABINET – 2 FEBRUARY 2017

PROCUREMENT UPDATE

REPORT OF ASSISTANT DIRECTOR OF GOVERNANCE, PROCUREMENT AND COMMISSIONING

LEAD CABINET MEMBER – CLLR LEE CARTER

PART A) – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

A regular report for Members to consider the update of the Council’s Procurement Intentions Document and update them on the latest information regarding effective procurement and contract management

2. RECOMMENDATION

- 2.1 Cabinet to note the procurement updates in this report**
- 2.2 Cabinet to note the Procurement Intentions Document (Appendix 1) and where indicated, approve delegation to the appropriate officers (as per the Contract Procedure Rules) to progress new procurements through the tender process to contract award**

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Co-Operative Council priority objective(s)?	
	Yes	Best value procurement in line with the Contract Procedure Rules promote engagement of local suppliers and stakeholders
	Will the proposals impact on specific groups of people?	
TARGET COMPLETION/DELIVERY DATE	No	
TARGET COMPLETION/DELIVERY DATE	The Procurement Intentions Document is a live document regularly updated by SDMs throughout the year with updates to Cabinet every 4 to 6 months dependant upon activity.	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	The Council has made ongoing savings of £96m since 2009/10. Further savings of £12m will be delivered in 2017/18 and an estimated £15m - £20m will be required in the following two years. The delivery of future cuts will become increasingly challenging as local government continues to face Government funding reductions. Delivering savings through effective procurement is therefore an important feature of the budget strategy with over £11m being identified since 2009/10. Active contract management also ensures continued value for money is achieved through the life of contracts.

		Improving social outcomes through the procurement process could also lead to reduced demand on services and potentially lower costs. TAS 12.01.17
LEGAL ISSUES	Yes	<p>The procurement intentions document, Appendix 1, is both transparent for all businesses to be able to see and prepare for forthcoming procurements that the Council will be undertaking but also is a transparent process to evidence appropriate delegations to officers. The delegations sought in this report are for officers to be able to commence and complete the procurement activity detailed in Appendix 1 and for contracts to be executed, depending upon their value, either under seal or under hand and as such the decisions sought may be key decisions or electronically if part of the trial referred to in the report.</p> <p>All contracts must comply with relevant EU requirements as well as provisions contained within the Council's Contract Procedure Rules. In addition, service contracts must comply with the provisions contained in the Public Services (Social Value) Act 2012. Each procurement will need to follow due process in accordance with the Council's constitutional internal and legislative requirements, with advice from Strategic Procurement Team and Legal Services, if appropriate.</p> <p>In respect of the proposed trial of the electronic signatures Cabinet can agree a waiver of the Contract Procedure Rules if it would be in the interests of the efficient management of the service</p> <p>The Council will utilise resources for permitted purposes as set out in the Procurement Plan and will construe its behaviour against Constitutional standards of financial probity and stringent financial planning and financial risk management as well as risk and equality impact assessments and procurement requirements, which may impact delivery of outcomes.</p>
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	The Procurement Intentions Document is be published externally. This helps the Council's supply chain prepare for up and coming tender opportunities.
IMPACT ON SPECIFIC WARDS	No	

PART B) – ADDITIONAL INFORMATION

4. INFORMATION

- 4.1 Council wide procurement continues to drive savings through robust competitive tendering and real time negotiation when brokering services. Savings derived from effective procurement contribute to the Cost Improvement Plans in place across the council. Teams are readily using the procurement support documents

on the intranet to ensure they achieve best value whilst also promoting social value and local economy growth.

- 4.2 The Contract Procedure Rules are updated to reflect latest legislation and most recently this had been the need for all officers to be aware of the potential for a breach of the Modern Slavery Act in our supply chain. Modern Slavery can present itself in a variety of ways for example, a supplier offering a very cheap cost for services. This may be because they are not paying their staff appropriately so they can afford a low price. Where suppliers refuse open book accounting and sharing of structure charts that may also be an indication that more staff are being employed that account for the costs rather than pure Commercial sensitivity. There are many other indications that Officers are asked to consider as part of a check list in the procurement plan. This will help them consider if there is a potential for a breach of the Modern Slavery Act and during contract management, if a situation arises which causes concern, how to manage it.
- 4.3 Appendix 1 to this report is the regular Procurement Intentions Document which presents to Cabinet up and coming procurements for the next few months. This is a live document so will also provide an update on procurement already approved. This document is also published on the Council's website to encourage local supplier engagement,

5. IMPACT ASSESSMENT – ADDITIONAL INFORMATION

6. PREVIOUS MINUTES

Procurement Update CB-038 19th October 2016

7. BACKGROUND PAPERS

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