

TELFORD & WREKIN COUNCIL

CABINET – 7 DECEMBER 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?	
	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 £110m since 2010 with further savings of £20m required by the end of 2019/20. 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 £11.4m 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 17.10.17

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>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> <p>MG 181017</p>
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	The Procurement Intentions Document is 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 and additional savings are now directly linked to each area's cost improvement plan and reported through Service and Financial Planning.
- 4.2 The council continues to deliver more with less by maximising our Social Value duty. We have signed up to all procurements, where possible, having an aspect of social value being delivered as an essential part of the outcome
- 4.3 Recent examples of social value which are in place in new contracts are:

“Service users and local charities and groups in Telford are eligible to apply for grants of up to £500 to fund community projects and initiatives that promote issues such as health and wellbeing for older people.”

“Championing use of community assets through a proven structured programme; local pharmacists, dentists and businesses will provide lower-priced additional services by way of a publicised “social care premium” whereby taxis, gardeners, handymen, florists (and others) sign up to provide low-price work for people receiving social care in return for trade volume and positive publicity”

“Weekly routing and scheduling of our security vehicles has enabled us to achieve lower mileage and better fuel consumption resulting in 24% lower emissions than this time last year”

“We offer an accreditation scheme for primary schools in which schools can pick various modules for classes including free visits to facilities to educate pupils on recycling and waste, upon completion of the scheme the school is awarded an accreditation plaque.”

“The EnviroGrant scheme offers grants of £10k to local community groups or societies for funding for environmental projects ranging from £30 up to £1000. A £3k sports grant is also available for sports groups to bid for money for sporting equipment.”

The social value return on investment delivered above means that we can spend less and get more with smart procurement. They all evidence how our spending power helps the wider community. Bidders can be guided as to the type of social value that would most benefit our community or, can offer solutions line with their own corporate social responsibility priorities. We are seeing an increase in social value outcomes helping our communities to help themselves.

5. The General Data Protection Regulation (GDPR) will apply in the UK from May 2018 and replaces the Data Protection Act 1998 (DPA). The GDPR builds on the existing requirement of principle 7 of the DPA (security measures) to have a written contract in place between a controller and processor. The GDPR also specifies the detailed terms a contract must contain with the aim of setting high standards and protecting the interests of data subjects. Procurement have updated all tender documents to reflect the new regulation and officer can use these immediately. Audit are working on an easy read guide. All council contracts **must** be amended to show this legislative change between now and the end of April 2018.
6. 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.

7. **IMPACT ASSESSMENT – ADDITIONAL INFORMATION**

8. **PREVIOUS MINUTES**

Procurement Update CB-97 29 June 2017

9. **BACKGROUND PAPERS**

Report prepared by Sarah Bass, Procurement & Brokerage Ext 82470

Appendix 1 – Procurement Intentions (separate sheet)