

Slough Borough Council

REPORT TO:	Cabinet
DATE:	18 th September 2023
SUBJECT:	Update on the procurement forward plan for services in excess of £180,000 and works in excess of £1 million in 2023/24
CHIEF OFFICER:	Adele Taylor – Director of Finance/Section 151
CONTACT OFFICER:	Clare Priest – Head of Commercial services
WARD(S):	All
PORTFOLIO:	Lead Member for Financial Oversight, Council Assets, Procurement and Revenues & Benefits – Councillor Chahal
KEY DECISION:	Yes
EXEMPT:	No
DECISION SUBJECT TO CALL IN:	Yes
APPENDICES:	'A' - List of services to be procured in 2023/24 in excess of £180k (services) and £1m (works) – updated and new contracts

1 Summary and Recommendation

- 1.1 To seek authority from Cabinet for commencement of procurement for contracts of an estimated value of over £180,000 (services) and £1 million (works), that are proposed to be let in the 2023/24 financial year detailed in Appendix A, this includes:
- the forward plan for services or works to be procured for the remainder of the financial year or before the cabinet meeting in April 2024, that were not identified in early 2023 when the April Cabinet report was written.
 - updates to contracts reported at April Cabinet where there have been significant changes, such as revised procurement start dates or contract values.

Recommendations

Cabinet is recommended to:

- (a) authorise commencement of procurement for the list of goods, works or services set out in Appendix A;

- (b) delegate authority to the Executive Director of Strategy and Improvement following consultation with the Lead Member for Public Protection, Customer Service, IT and Young Futures to the award contract, to the best value bidder, for the Mobile Telephony and Cloud Hosting of IT Systems Contracts as indicated in Appendix A, as requiring delegated authority to award contracts due to tight timescales involved.
- (c) delegate authority to the Executive Director of People (Children) following consultation with the Lead Member for Education, Children's Services, Lifelong Skills and Governance to direct award the contract for the Education Management System as indicated in Appendix A, as requiring delegated authority to award contracts due to tight timescales involved.

Reason

- 1.2 To ensure that Cabinet has proper oversight of planned procurement activity.

Commissioner Review

The Council needs to consider the value for money implications of its decisions and to secure best value in the provision of all its services. Procurement is an essential tool to deliver the Councils wider social, economic, and environmental aims and as such there is a need to ensure effective elected member engagement in the pre-procurement and decision-making process.

In an era when the Council must increasingly depend on suppliers for lower costs, improve quality, drive innovation and cope with external uncertainty, a range of contracting approaches will need to be considered. All contract spend should be carried out within resources identified and savings should be identified where possible to improve value for money and contribute to the medium term financial planning efficiencies.

The report provides high level visibility of planned procurement activity and the opportunity for cabinet members to be engaged in advance of the procurement cycle and identify any individual contracts about which separate briefings or reports relating either to contracting strategy or to contract award will be required before proceeding.

2 Report

Introduction

- 2.1 The Council has reviewed its contracts register to identify those contracts that are due for renewal or require a new procurement. This has enabled the Council to establish a procurement programme for 2023-24 and the forward plan was approved at April cabinet. Further service plans have been developed, which have identified 10 additional contracts and 3 revised ones, and it is therefore necessary to bring an updated plan to Cabinet.

Options considered

Option 1:

- 2.2 Approval of the updated procurement forward plan. The Council's contract procedure rules require cabinet authority for procurements with a total value of over £180,000 (services) and £1 million (works). This demonstrates good governance and allows

Cabinet to consider whether it wants further oversight of any specific proposals. **This is the recommended option.**

Option 2:

- 1.1 To authorise each new procurement not reported at April Cabinet or since amended on a case-by-case basis. This would require separate cabinet reports setting out details of each procurement. Whilst this would allow more detail to be provided, this would result in a high number of individual reports. This is not an efficient use of Cabinet time and is not recommended. It should be noted that contracts for services valued over £500,000 and for works valued over £1million require a separate cabinet approval prior to award of contract.

Background

- 2.3 The Council's Contract Procedure Rules require that each procurement project over £180,000 (services) and £1 million (works) must be on the forward plan approved by Cabinet to authorise commencement of procurement. For projects with a total value under £500,000 (services) or £1 million (works), the award of contract following procurement is delegated to an executive director. For any contract over these sums, a separate report will be presented to Cabinet seeking authority to award the contract, or approval of award will be delegated where specifically set out in the Forward Plan.
- 2.4 The scope of some procurement exercises stated in Appendix A has changed significantly from that in the April cabinet report, and this is a supplementary report to cabinet that contains further details for approval.
- 2.5 Cabinet is reminded that to aid the Council in its improvement of contract management and visibility of procurement projects to cabinet, detail on the deliverables and outcomes for each procurement, expected contract duration and timescales is included in the procurement activity data of contracts over £180,000 (services) and £ 1 million (works).

3 Implications of the Recommendation

3.1 Financial implications

- 3.1.1 The planned procurements set out in the Appendix will need to be contained within approved revenue budgets. For capital funded projects, the funding is included in the capital programme.

3.2 Legal implications

- 3.2.1 In accordance with the Procurement Application and Authorisation Table set out in the Council's Contract Procedure Rules, all Service Contracts over £180,000 and Works Contracts over £1 million must be on the Forward Plan presented to Cabinet each year in order to authorise commencement of procurement. A report was presented in April 2023, however not all intended procurements were included on the procurement forward plan at that point. Appendix A sets out the new procurements

that require approval. This plan may need to be updated and approved throughout the year.

3.2.2 Full business cases should be reviewed by the Council's internal procurement review board. IT projects should also be reviewed by the Council's internal Information Governance Group. Any project funded by capital should be reviewed by the Council's Cabinet Monitoring board and included in quarterly reporting of the capital programme.

3.2.3 All service contracts over £100,000 should be sealed and the council's legal advisors (currently HB Public Law) should advise on contract documentation. For works contracts, an appropriate model form contract such as JCT or NEC should be used and advice should be sought from HB Public Law.

3.2.4 As well as compliance with internal procurement rules, the Council must ensure compliance with procurement law. The procurement review board will consider this on a case-by-case basis.

3.2.5 The Council should also consider and build the following into procurement processes:

- stakeholder engagement
- efficient commissioning and sourcing arrangements
- best value considerations, including social and environmental value, as well as economic
- contract management.

3.3 Risk management implications

3.3.1 There are no specific issues arising directly from this report, however good forward planning will ensure that procurement activity is done in a timely way, which will lead to better value for money.

3.4 Environmental implications

3.4.1 There are no specific environmental implications arising directly from this report.

3.5 Equality implications

3.5.1 The equality implications will be considered on a case-by-case basis. The revised best value statutory guidance confirms that authorities should avoid imposing onerous contractual requirements on private and voluntary sector contractor, over and above those necessary to comply with the Equality Act 2010, as this can become a barrier to entry to the market for small and medium size firms and the voluntary sector. As part of commissioning arrangements, authorities are also expected to take steps to avoid commissioning services from individuals or organisations which actively or vocally oppose fundamental British values, including democracy, the rule of law, individual liberty, and mutual respect and tolerance of different faiths and beliefs; or which call for the death of members of British armed forces.

3.6 Procurement implications

3.6.1 A business case for each procurement project will be developed which will consider the most appropriate procurement route according to the Council's contract

procedure rules, UK Procurement regulations and will need to follow public procurement principles of value for money, equality of treatment, transparency and proportionality.

3.7 Workforce implications

3.7.1 Workforce implications will be considered upon the letting of each contract.

3.8 Property implications

3.8.1 Property implications will be considered upon the letting of each contract.

4 Background Papers

None