

# North Tyneside Council

## Report to Cabinet

### Date: 6 April 2021

**Title: Procurement Plan 2021/2022**

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**Portfolio: Finance and Resources**

**Cabinet Member: Councillor Ray Glindon**

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**Report from Service Area: Commissioning and Asset Management**

**Responsible Officer: Mark Longstaff, Head of Commissioning and Asset Management**

**Tel: (0191) 6438089**

**Wards affected: All wards**

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## **PART 1**

### **1.1 Executive Summary:**

The Authority undertakes a wide variety of duties and delivers a vast range of services to the people of North Tyneside via third parties. In turn this means that the Authority continues to spend a significant proportion of its budget on goods and services. Following the return of the Procurement Service to the management of the Authority the opportunity has been taken to review and improve reporting practices.

In accordance with Contract Standing Order 8(6), as the procurements identified in appendix 1 will exceed individually £500,000, this report seeks approval to proceed with relevant procurement exercises throughout the financial year and award contracts in accordance with UK public procurement legislation to the most advantageous tenders. This will ensure contracts are procured efficiently and ensure value for money is achieved.

### **1.2 Recommendations:**

It is recommended that Cabinet:

- 1) approve the procurement of the goods and services as detailed in appendix 1 of this report;
- 2) delegate authority to the relevant Head of Service in consultation with the relevant Cabinet Member, Head of Resources and Head of Law and Governance to commence the procurements identified and award contracts to those bidders who submit the most advantageous tenders in accordance with UK public procurement legislation..

### **1.3 Forward Plan:**

Twenty-eight days' notice of this report has been given and it first appeared on the Forward Plan that was published on 26 February 2021.

### **1.4 Council Plan and Policy Framework**

This report relates to the following priorities in the 2020-2024 Our North Tyneside Plan:

- Our people will be ready for work and life
- Our places will be great places to live
- Our places will offer a good choice of quality housing
- Recognise the climate emergency
- Our economy will grow by supporting new businesses

### **1.5 Information:**

#### **1.5.1 Background**

We continue to spend a considerable sum on third party goods and services. The Authority's constitution requires that prior to any procurement commencing which exceeds £500,000 Cabinet approval must be obtained. Following the return of the Procurement Service to the management of the Authority the opportunity has been taken to review and improve reporting practices. To date individual reports were previously presented for Cabinet approval; once the budget is approved by Council the third-party requirements are known. The procurement exercises which will commence in the financial year 2021/2022 have been identified and are set out at appendix 1, the contract start date may be in the subsequent year due to the procurement lead in time. This approach will ensure timely procurements whilst continuing to maintain value for money.

#### **1.5.2 Procurement Process**

The Authority adopted its Procurement Strategy in 2017. Utilising the social value principles within the Procurement Strategy, the Authority will gain commitments of local employment and apprenticeships whenever applicable. This will contribute to the economic recovery of North Tyneside in the wake of the Covid crisis. Our tendering process will be streamlined and better information will be provided to the market. Where appropriate, lower value tenders will be issued. This will give SME's the chance to work with the Authority, again enabling and encouraging smaller businesses. Working with the Business Forum and NEPO, bespoke workshops will be developed to support SME's. The principles set out in the Authority's Responsible Procurement Charter will be embedded in the tender requirements.

The relevant service area will develop tender packages and robust specifications to ensure that the Authority is protected in terms of financial and commercial risk. The duration of the contract will be considered to help shape new and emerging markets; lessons learned from any previous contracts will be considered when developing the tender package. Relevant existing frameworks will be explored if appropriate to the contract. Collaborative regional working will be explored if appropriate to the contract. The contract award criteria will be developed considering social value as appropriate. Packages will be developed to support the economy in the recovery of Covid-19.

### 1.5.3 Consultation

Consultation prior to commencing a procurement with the relevant Cabinet Members is key, this will ensure that the Council Priorities are achieved through our contracting arrangements. Our finance team will be engaged to identify any budgetary risks associated with the delivery of the service and any potential mitigations. Our legal team will review the terms and conditions for each procurement to ensure the Authority mitigates any commercial risk commercial risk. Consultation and engagement with the market and any relevant associations will take place to ensure that the offer to the market is attractive and that a market exists to deliver the goods and services.

### 1.5.4 Award of contracts

An evaluation team consisting of subject matter experts and the procurement team will evaluate each bid received against the published award criteria and in accordance with UK public procurement legislation. Prior to award of any contract the evaluation result will be provided to the Head of Service to approve the award together with financial assurance that the contract value will remain within existing budgets.

## 1.6 **Decision options:**

The following decision options are available for consideration by Cabinet:

### Option 1

Cabinet may approve the recommendations set out in paragraph 1.2 to carry out the necessary procurement exercises during the 2021/2022 financial year.

### Option 2

Cabinet may not approve the recommendations and continue to consider individual reports for each package of works and/or services. This may delay implementation of essential services and works being carried out.

Option 1 is the recommended option.

## 1.7 **Reasons for recommended option:**

Option 1 is recommended for the following reasons:

The Authority has a duty to obtain value for money. Tendering the opportunities identified in the report will meet the priorities contained within the Procurement Strategy and Our North Tyneside Plan.

## 1.8 **Appendices:**

Appendix 1: Procurement Plan 2021/2022

## 1.9 **Contact officers:**

Mark Longstaff– Head of Commissioning and Asset Management. Tel 0191 6438089  
Sarah Heslop – Strategic Commercial and Procurement Manager. Tel 0191 6435456  
David Dunford – Acting Senior Finance Business Partner. Tel 0191 6437027

## **1.10 Background information:**

There are no background papers.

## **PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING**

### **2.1 Finance and other resources**

The procurement of suppliers and contractors to complement the Authority's delivery needs is a critical part of the process to enable the successful delivery of key services.

The budgets to pay for the costs of suppliers of goods and services are provided for either via the Housing Revenue Account Business Plan, the General Fund or the Capital Investment Plan.

### **2.2 Legal**

The procurements shall be carried out in compliance with the Authority's Contract Standing Orders and Public Procurement Regulations 2015 and all other procurement legislation that may be enacted or in force from time to time.

### **2.3 Consultation/community engagement**

Consultation has been carried out with Cabinet Members. Consultation will take place with relevant business associations regarding the tender opportunities. Where appropriate market engagement events will be undertaken prior to the tender process commencing.

### **2.4 Human rights**

There are no human rights issues directly arising from this report

### **2.5 Equalities and diversity**

There are no equality and diversity issues which arise directly from this report. Equality and diversity issues will be assessed when developing the individual service specifications.

### **2.6 Risk management**

Any risk management issues are included within the Authority's risk register and will be managed by this process.

### **2.7 Crime and disorder**

There are no crime and disorder issues directly arising from this report.

### **2.8 Environment and sustainability**

Where appropriate tenderers will be obliged to commit to social value outcomes including carbon reduction and recycling to assist with the climate emergency declaration.

**PART 3 - SIGN OFF**

- Chief Executive  X
- Head(s) of Service  X
- Mayor/Cabinet Member(s)  X
- Chief Finance Officer  X
- Monitoring Officer  x
- Head of Corporate Strategy and Customer Service  X