

# North Tyneside Council

## Report to Cabinet

### Date: 18 October 2021

#### Title: Procurement Plan 2021/2022

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| <b>Portfolio(s):</b> Finance and Resources   | <b>Cabinet Member(s):</b> Councillor Martin Rankin |
| <b>Report from Service Area:</b> Commissioning and Asset Management                        |  |
| <b>Responsible Officer:</b> Mark Longstaff, Director of Commissioning and Asset Management | <b>Tel:</b> (0191) 6438089                         |
| <b>Wards affected:</b> 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.

A report was approved by Cabinet in April 2021 which detailed procurements that will individually exceed £500,000. This report concerns additional procurements not mentioned in that report. 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 Recommendation(s):

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 Director in consultation with the relevant Cabinet Member, Director of Resources and Director 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 20 August 2021.

## 1.4 Council Plan and Policy Framework

This report relates to the following priorities in the 2021-2025 Our North Tyneside Plan:

- We will work to reduce inequality, eliminate discrimination and ensure the social rights of the people of North Tyneside are key to Council decision making
- We will review how the council purchases and contracts for goods and services to maximise value for money, social value and environmental sustainability.
- We will work with the care provision sector to improve the health and well-being working conditions of our care homes.

## 1.5 Information:

The Authority continues to spend a considerable sum on third party goods and services. The Authority's Constitution requires that prior to commencing any procurement exercise which exceeds £500,000 Cabinet approval must be obtained. Previously, individual reports were presented for Cabinet approval for each procurement exercise; once the budget is approved by Council supplies which are required from third-party are known and can be planned in advance. 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.

Cabinet approved the initial procurement plan in April 2021, this report seeks to approve subsequent procurements which were not known at that time.

### 1.5.1 Procurement Process

The Authority adopted its Procurement Strategy in 2017, this will be refreshed and presented to Cabinet at a later date for adoption. Utilising the social value principles within the Procurement Strategy, the Authority will gain commitments of local employment and apprenticeships whenever applicable. The social value principles will be updated following full Council's approval of the Council Plan. This will contribute to the economic recovery of North Tyneside in the wake of the Covid crisis. The Authority's 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 Small and Medium Enterprises (SME's) the chance to work with the Authority, enabling and encouraging smaller businesses to bid for tenders. Working with the Business Forum and the North East Procurement Organisation (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.

### 1.5.2 Consultation

Consultation with the relevant Cabinet Members prior to commencing a procurement 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. The Authority's legal team will review the terms and conditions for each procurement to ensure the Authority mitigates any 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.

### 1.5.3 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 Director 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– Director 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:**

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

[Report to Cabinet 6 April 2021.](#)

## **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 will 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.

Where appropriate, and in accordance with the Openness of Local Government Bodies Regulations 2014, delegated decisions taken by the relevant Director to award contracts to those bidders who submit the most advantageous tenders under the specific delegation given to them by Cabinet will be duly recorded in accordance with Regulation 7 of the Regulations.

### **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**

Equality and diversity issues will be assessed when developing the individual service specifications. The social value policy will be updated in January, the new Our North Tyneside priorities will be included and this will monitor the impact of reducing inequalities. Public Sector Equality Duties will also be adhered to when drafting specifications and awarding contracts

### **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
- Director(s) of Service  X
- Mayor/Cabinet Member(s)  X
- Chief Finance Officer  X
- Monitoring Officer  X
- Assistant Chief Executive  X