

Crawley Borough Council

Report to Overview and Scrutiny Commission 22 June 2020

Report to Cabinet 24th June 2020

Forward Programme of Key Procurements

Report of the Head of Corporate Finance – and FIN/501

1. Purpose

- 1.1 The purpose of this report is to present the procurement forward programme. The forward plan identifies the Council's key procurements that will require tendering over the coming six-month period.

2. Recommendations

- 2.1 To the Overview and Scrutiny Commission:

That the Commission consider the report and decide what comments, if any, it wishes to submit to the Cabinet.

- 2.2 The Cabinet is recommended to:

- a) Approve the procurement forward programme June 2020 – December 2020.
- b) Delegate authority to the Leader of the Council in consultation with the relevant Head of Service, and Head of Legal, Democracy and HR to approve the award of the contract following an appropriate procurement process.
- c) Delegate the negotiation, approval and completion of all relevant legal documentation, following the awarding of the contracts to the relevant Head of Service, Head of Legal, Democracy and HR, Head of Corporate Finance, in consultation with the appropriate Cabinet Member.
(Generic Delegations 2 & 3 will be used to enact this recommendation)

3. Reasons for the Recommendations

- 3.1 By approving the procurement forward programme there is greater transparency of future procurement processes allowing more scope for internal stakeholders to input into how future contracts are delivered.
- 3.2 The approval of the forward programme provides a key decision that will enable the individual procurement processes to be awarded under delegated authority once the tender process has concluded giving the Council the ability to reduce the time required to complete a procurement process.

4. Background

- 4.1 The Council's procurement is governed by EU Public Procurement Directives and The Public Contracts Regulations 2015 along with its own internal rules which are set out in the Procurement Code. The ethos of public sector procurement is ensuring an open, fair and transparent process is undertaken. The Procurement Code dictates that any contracts above the total value of £500k (across its duration) must be approved by Cabinet. This approval normally comes at the end of the procurement process once a preferred bidder has been identified following a tendering exercise.
- 4.2 Often Cabinet dates do not align with contract start dates meaning a procurement process has to be run earlier than is required in order to accommodate a Cabinet date or in some instances, if this can't be achieved, delegated authority is sought whilst in the tender phase.
- 4.3 The procurement service is a shared service with a number of neighbouring districts and boroughs, often collaborative procurement processes are undertaken which are of benefit in terms of efficiency and cashable savings, however the contract award processes in each Council can often substantially elongate the process when you try and align 4 Councils Cabinet processes.
- 4.4 By bringing a forward programme of procurements to Cabinet twice a year it is felt that not only will it assist with the practical issues that arise from aligning a Cabinet date with the contract start date but also gives greater transparency to the process and allows internal stakeholders to provide input into the tender process prior to the specification being finalised. This is a model adopted by some other authorities.
- 4.5 The attached forward plan identifies those high value procurement process that the Council is currently aware of that are due to go out to tender in the next six months. These are a combination of goods, services and works contracts and cover contract renewals as well as new procurement projects. The projects that are identified are those with an estimated total contract value above £500,000.
- 4.6 There may be additional projects that are identified that require procurement action that are not currently on the current forward plan however it is hoped that these will be minimal and are more likely to be one-off or construction-based procurements where additional funding / capital investment has been agreed.
- 4.7 It is the current intention that those procurement identified on the forward plan will go out to tender in the next six months, however that may be subject to change. Some of the procurement processes will take six months from the issue of tender to having identified the preferred bidder so may not be concluded until the first quarter of 2021.
- 4.8 The intention is to provide a report to Cabinet twice a year. In future reports it is proposed that an update is provided of those tenders that have been completed and some key highlights of deliverables e.g. savings, social value benefits etc.

5. Description of Issue to be resolved

- 5.1 It is hoped that there is greater transparency and awareness of key procurement projects.

- 5.2 Allowing contracts to be awarded under delegation shortens the tender process. However all contract awards will still be entered onto the Forthcoming Decisions List, together with the completion of an Executive Decision Form as the key decisions will be required by the Leader of the Council.

6. Information & Analysis Supporting Recommendation

- 6.1 Other Councils have followed a similar approach, it allows the Council to undertake quicker procurement processes.
- 6.2 By identifying procurement processes in a forward programme, internal stakeholders can input into the process at an earlier stage where there is more ability to influence and make decisions on the future contract delivery model. The organisation can manage resources more effectively

7. Implications

- 7.1 Whilst every effort will be made to ensure that procurement processes are identified and reported in the forward programme there may be some instances where this is not achieved, an individual report will therefore be taken as per the previous model.

8. Background Papers

- 8.1 Procurement Code

Report author and contact officer: *Jo Newton-Smith, Procurement Manager, 01293 438363*

Appendix 1 – Procurement Forward Programme

Contract Title	Estimated Contract Value	Estimated Contract Start Date	Brief Description
Disabled Adaptations (Crawley Homes)	£7m £1m p.a.	October 2020	Crawley Homes are responsible for undertaking disabled adaptations to properties. This contract is for a range of suppliers to undertake this work. The contract duration is 5 years + option to extend by 2 years. Contract to commence Autumn 2020. Lead Officer; Tim Honess
Unified Telecoms	£600k £150k p.a	October 2020	ICT have several contracts for the provision of telecoms including fixed lines, contact centre, mobile phones and mobile devices. Requirements have been gathered and the intention is to, where possible, amalgamate into a Unified Communications solution that enables integration across the different communication methods. This is a significant enabler to agile working. Contract duration still being determined likely 2+2. Intention is to award contracts Autumn 2020, when the current contracts expire. Lead Officer; Vish Chandra / Emma Nash
Temp Agency Staff	£1m £250k p.a. (£4.5m across collaborative contract)	1 st April 2021	The current contract expires in March 2021 and is a collaborative contract with Horsham DC and Mid Sussex DC. Market engagement needs to take place with internal stakeholders as well as the supplier market. Crawley currently spends approx. £250k per annum on temporary staff although this is variable. Contract duration 4 years. The intention is to go out to tender Summer 2020 with a contract to commence from 1 st April 2021 although this might be brought forward due to issues with current contract. Lead Officer; Procurement team.
Building Repairs & Maintenance	£3.6m Approx. £900k p.a	January 2021	The current contract is a framework agreement with multiple suppliers, the contract has been extended to accommodate a review of our current assets and what model will be required for maintenance of the new town hall. The current contract covers planned and responsive repairs and maintenance of our non-housing assets including glazing, heating and plumbing, drainage, electrical works, ventilation, painting and decorating, lift maintenance, fire equipment testing etc. It includes town hall, community centres, depot, pavilions, public conveniences, Tilgate nature centre, Hawth, K2 etc. Provisional timetable is to go out to tender Autumn 2020. Contract duration 4 years. Lead Officer; Rob Channon / Procurement.
District Heat Network - Operation, Maintenance, Metering and Billing	£750k £75k p.a.	February 2021	Delegated Authority for this project was sought in 2019, however due to delays in the design and build element of the scheme the procurement process for the on-going operation and maintenance of the DHN has not yet commenced. It is anticipated that the tender process will commence in July 2020, subject to final approval of the design and build scheme. Contract duration 5 + 5 years. Lead Officer; Nigel Sheehan