

Slough Borough Council

Report To:	Cabinet
Date:	15 th April 2024
Subject:	Procurement forward plan for services in excess of £180,000 and works in excess of £1 million in 2024/25
Lead Member:	Lead Member for Financial Oversight, Council Assets, Procurement and Revenues & Benefits – Councillor Chahal
Chief Officer:	Adele Taylor – Executive Director Finance and Commercial
Contact Officer:	Clare Priest – Head of Commercial services
Ward(s):	All
Key Decision:	YES
Exempt:	NO
Decision Subject To Call In:	YES
Appendices:	'A' - List of services to be procured in 2024/25 in excess of £180k (services) and £1m (works)

1. Summary and Recommendations

- 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 2024/25 financial year.
- 1.2. Further reports will be brought to Cabinet with an updated procurement forward plan for any services or works to be procured for the remainder of the financial year or before the cabinet meeting in April 2025.
- 1.3. **Recommendations:**

Cabinet is recommended to:

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

- (b) Delegate authority to the Executive Director of Adults services following consultation with the Lead Member for Adult Social Care, Mental Health and Learning Disabilities and the Section 151 Officer, to award small block contract arrangements for residential and nursing placements to the best value bidders, as indicated in Appendix A due to the need to award multiple short term contracts whilst a strategic commissioning review is undertaken.

Reason: to ensure that Cabinet has proper oversight of planned procurement activities and delegated authority is allowed where timescales are insufficient.

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 financial, social, economic, and environmental aims. Effective procurement interactions and processes will also identify areas where historic deviations from regulatory requirements or internal procurement procedures have occurred, propose measures to address this and improve compliance.

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 enable decision makers in public bodies to be held to account.

The commissioners are content with the recommendations in this report.”

2. Report

Introductory paragraph

- 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 2024-25 and this report is seeking approval of the procurement forward plan. As service plans are developed, it may be necessary to bring an updated plan to a further meeting of Cabinet. In addition, there may be separate reports seeking approval for significant service decisions, which have procurement implications.

Options considered

Option 1:

- 2.2 Approval of a procurement forward plan. The Council's Contract Procedure Rules require Cabinet authority for procurements with a total value of over £180,000 (goods and/or 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:

- 2.3 To authorise each procurement 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 and/or goods valued over £500,000 and works valued over £1million require a separate cabinet approval prior to award of contract, unless Cabinet delegates authority to award that respective contract. It should also be noted, as indicated in paragraph 2.1 of this report, that a separate standalone Cabinet report may be presented for the procurement of some projects. This option is not recommended.

Background

- 2.4 The Council's Contract Procedure Rules require that each procurement project over £180,000 (goods and/or 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 (goods and/or 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, unless Cabinet delegates authority to award the contract where specifically set out in the Forward Plan.
- 2.5 Contracts listed in Appendix A will be subject to detailed review with commissioners and executive directors, to challenge and seek to verify if procurement is necessary and to identify opportunities to maximise value for

money through contract rationalisation and consolidation. Should the scope of a procurement exercise change significantly from that stated in Appendix A, a further report will come back to Cabinet with further details for approval.

2.6 Cabinet forward plan can be split into categories:

- Category 1: Procurement between £180k and £500k (goods and/or services) – Cabinet to authorise procurement. Delegated authority given to Executive Directors to award the contract unless Cabinet requires the award decision to be reserved to Cabinet.
- Category 2: Procurement over £500k (goods and/or services) / £1million (works) – Cabinet to authorise procurement and note that future reports will be brought back to Cabinet for approval of award of contract.
- Category 3: Procurement over £500k/£1m where the Forward Plan clearly sets out delegation of authority to award

3. Implications of the Recommendation

3.1 Financial implications

3.1.1 The planned procurements set out in the Appendix are included in approved revenue budgets. For capital funded projects, the funding is included in the capital programme. Having a clear overview of the planned procurement timetable ensures that we are able to properly plan our work and to ensure that we have sufficient time to ensure we are operating in a Best Value way.

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 goods/services 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. The procurement forward plan will be reviewed and updated throughout the year and update reports will be brought to Cabinet to approve further procurements once the details of these are known.

3.2.2 Full business cases should be reviewed by the Council's internal procurement review board. IT projects where there are information governance implications should also be reviewed by the Council's internal Information Governance Board. Any project funded by capital should be approved by the Council's Capital Monitoring Board and included in quarterly reporting of the capital programme.

3.2.3 All 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 (March 2015) confirms that authorities should avoid imposing onerous contractual requirements on private and voluntary sector contractors, 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. The public sector equality duty (PSED) requires the Council to have due regard to the need to eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010 (the Act), and advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not. The PSED is a continuing duty, therefore the Council will be required to consider potential equality considerations at the different stages of the procurement cycle. 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.

3.6.2 Members should be aware that a major revision of the Contract Procedure Rules is being undertaken in response to the Procurement Act 2023. The Government's objectives are to create a simpler, more flexible and effective procurement system, opening up public procurement to new entrants such as small businesses, introducing stronger measures to exclude underperforming providers, and also improve transparency and visibility of procurement activity throughout the commercial lifecycle. The Procurement Act is expected to "go-live" from October 2024, and the intention is for the revised Contract Procedure Rules to be presented to Council by July 2024. The Contract Procedure Rules will also require revisions in line with the Provider Selection Regime for health care and public health services, under The Health Care Services (Provider Selection Regime) Regulations 2023, which came into force on 1st January 2024. Members should note that any contracts to be entered into involving the provision of health care services to individuals will be subject to the Provider Selection Regime.

3.6.3 Slough Borough Council have formed a Procurement Act Working group, with the London Boroughs of Harrow, Hounslow and Barnet, to share resources, best practice and learning in relation to the Act and are also liaising more widely with colleagues in the London and Berkshire Procurement Networks to ensure there is a shared understanding of the implications of the Act.

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