

South Lakeland District Council
Overview and Scrutiny Committee
Friday, 15 January 2021
2021/22 Procurement Schedule

Portfolio:	Finance and Resources Portfolio Holder
Report from:	Helen Smith- Finance Lead Specialist and Section 151 Officer
Report Author:	Gillian Flowers – Procurement Specialist
Wards:	(All Wards);
Forward Plan:	Budget and Policy Framework Decision included in the Forward Plan as published on 29 September 2020

1.0 Expected Outcome

It is expected that Council will deliver Value for Money in the provision of services and improve the efficiency of its procurement activities through the approval of the procurement exercises proposed for 2021/22

2.0 Recommendation

2.1 It is recommended that Overview and Scrutiny

(1) consider the Procurement Schedule for 2020/21 attached at Appendix 1 and forward any comments to Cabinet for their consideration; and

(2) note the changes to Procurement in line with Brexit.

3.0 Background and Proposals

3.1 Since April 2016 the Council's Constitution has permitted officers to conduct and conclude the contracting processes with limited further approval providing it is in line with the Procurement Schedule, to be approved by Council at least annually. Where a procurement process is over budget then approval will still be required in accordance with the Financial Procedure Rules. Where an officer seeks approval for a waiver or exemption under the Contract Procedure Rules this is also included in the Procurement Schedule.

3.2 In June 2020 the Councils Monitoring Officer obtained approval to amend the Councils delegated decision making arrangements:

To the Chief Executive and Directors

- In the case of contract awards relating to Procurement decisions which have been authorised by Cabinet and Council on the Procurement Schedule to make all final contract award decisions.
- In the case of contract award decisions which are over the Key Decision Threshold to ensure that such final decisions are placed on the Forward Plan prior to the final decision being taken.

To each Lead Specialist or Operational Lead

- In the case of contract awards relating to Procurement decisions which have been authorised by Cabinet and Council on the Procurement Schedule to make all final contract award decisions on all matters up to the value of £10,000 that relates to his/her area of responsibility.
- 3.3 The Procurement Schedule for 2021/22 is attached at Appendix 1. There are 135 procurement projects identified which is considerably higher than the 105 procurement exercises originally approved for 2020/21. The reason being that a significant number have been brought forward from last year, not being able to be successfully procured due to Covid-19. It has been identified that 61 of these projects are completely new requirements, 18 are re-provisions or contract renewals, which means the remaining 56 are carried over from the previous procurement schedule.
- 3.4. There is some concern that there may not be the staffing resource to carry out this number of procurement in terms of procurement support, legal support and the staffing within various departments. Further work will be done internally to prioritise, bearing in mind that there are efforts being made to avoid further exemptions.
- 3.5 From the 1st January 2021, Britain left the EU. This will have some implications to Procurement within SLDC. Procurement will no longer be governed by EU directives and we shall no longer be required to advertise procurement opportunities above threshold in the Official Journal of the European Union. However, we shall be required to use "Find a Tender" (FTS) to advertise opportunities above threshold. As our procurement portal is The Chest, administered by Proactis, we shall be automatically advertising this way and nothing extra needs to be done by the Procurer.
- Find a Tender went live at the end of the transition period (23:00 on 31 December 2020).
- Requirements to advertise or notify on Contracts Finder remain unchanged.
- It is anticipated that we shall now accede to the World Trade Organisation Government Procurement Agreement (GPA) and that we shall still be subject to the UK Public Contracting Regulations 2015.
- The £ sterling value of the thresholds in the Public Contracts Regulations 2015 as at the end of the Transition Period will remain in place until they are aligned to the GPA thresholds. The next review of the thresholds will be implemented by January 2022 by amendments to the public procurement regulations.

4.0 Consultation

- 4.1 Overview and Scrutiny Committee and Cabinet, will consider the Procurement Schedule prior to presentation to Council for approval on 23rd February 2021.

5.0 Alternative Options

- 5.1 Council could decide not to approve all or part of the Procurement Schedule. This would mean that separate acceptance reports may be required for all or specific tenders.

6.0 Links to Council Priorities

- 6.1 Individual proposals within the procurement schedule reflect Council Plan priorities and budget proposals.

7.0 Implications

Financial, Resources and Procurement

- 7.1.1 There are no direct financial implications of the report. Staff resources are required to manage individual procurement exercises, both procurement staff and individual service teams. Effective procurement will enable the Council to demonstrate it achieves value for money. Where procurement exercises have not been run in a lawful manner there may be fines and other additional costs.
- 7.1.2 Checks will be carried out to ensure there is sufficient budget for the goods and services covered by each procurement exercise: this information will be added to the schedule when it is considered by Cabinet on 3 February 2021.

Human Resources

- 7.2 There are no direct staffing implications of the report. Individual procurement exercises may have direct staffing implications.

Legal

- 7.3 The Council approves the Procurement Schedule each year and this provides the authority for officers to proceed with procurements as listed on the schedule. Once approved by the Cabinet and Council the only further authorisation required at the end of the procurement process is for those decisions which are over £100,000 or which affect more than two wards the final contract approval decision must be placed on the Forward Plan and the relevant Director may once the Forward Plan period has expired to sign off the contracts.

An assessment of the required legal services specialist resources will be ascertained from the services.

Health, Social, Economic and Environmental

- 7.4 Have you completed a Health, Social, Economic and Environmental Impact Assessment? No
- 7.5 If you have not completed an Impact Assessment, please explain your reasons: advice is taken on the Health, Social, Economic and Environmental Impact of each procurement project. This report considers the overall process rather than individual procurement exercises.

Equality and Diversity

- 7.7 Have you completed an Equality Impact Analysis? No
- 7.8 If you have not completed an Impact Assessment, please explain your reasons: advice is taken on the Equality and Diversity impact of each procurement project. This report considers the overall process rather than individual procurement

Risk

Risk	Consequence	Controls required
Failure to accept tenders within time limits	Potential need to re-tender and/or loss of most economically favourable tenders.	Robust procurement processes including efficient mechanisms for accepting tenders.

Contact Officers

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Appendices Attached to this Report

Appendix No.	Name of Appendix
1	Procurement Schedule 2021/22

Background Documents Available

Name of Background document	Where it is available
Council Constitution	https://www.southlakeland.gov.uk/yourcouncil/

Tracking Information

Signed off by	Date sent	Date Signed off
Legal Services	29/12/2020	05/01/2021
Section 151 Officer	29/12/2020	05/01/2021
Monitoring Officer	29/12/2020	29/12/2020
CMT	N/A	N/A

Circulated to	Date sent
Lead Specialist	N/A
Human Resources Lead Specialist	N/A
Communications Team	N/A
Leader	N/A
Committee Chairman	N/A
Portfolio Holder	N/A
Ward Councillor(s)	N/A
Committee	15/01/2021
Executive (Cabinet)	03/02/2021
Council	23/02/2021