



Policy and Resources Committee

9 December 2021

Title

Annual Procurement Forward Plan [APFP] 2022/2023

Report of

Chairman of the Policy & Resources Committee

Wards

All

Status

Public

Urgent

No

Key

Yes

Enclosures

Appendix 1 – Annual Procurement Forward Plan 2022/23

Officer Contact Details

Ashley Hughes, Assistant Director, Investments & Innovation,
ashley.hughes@barnet.gov.uk

Keith Hinchcliffe, Head of Procurement
keith.hinchcliffe@capita.com

Susan Lowe, Business Partner, Corporate & Commissioning
susan.lowe@barnet.gov.uk

Anisa Darr, Director of Finance
anisa.darr@barnet.gov.uk

Summary

This report sets out the detail of envisaged procurement requirements for 2022/2023 and, where known, for 2023/24, 2024/25. The council has prepared a list of proposed procurement activity. This can be found in Appendix 1.

This report seeks authorisation to enable commencement of procurement activity in accordance with the Council's Contract Procedure Rules, subject to confirmation of continued requirement, and any additional approvals required under the Council's Constitution.

The use of the Annual Procurement Forward Plan (APFP) is in line with the council's Constitution.

The approval of the APFP does not automatically provide approval for all procurement. Where appropriate, procurement activity will be referred to the relevant committee for approval as part of the council's overarching governance process.

Officers Recommendations

- 1. That members approve the Annual Procurement Forward Plan as a record of forward activity for 2022/23 – 2024/25.**
- 2. That members note the requirements for procurement activity to be subject to service confirmation of continued requirement of any additional approvals required under the Council's Constitution, including the Contract Procedure Rules, authorisation of Procurement Launch Document including identification of approved budget source.**

1. WHY THIS REPORT IS NEEDED

- 1.1 Under paragraph 4.1 of the Council's Contract Procedure Rules any Procurement, including extensions and variations to contracts set out in the Annual Procurement Forward Plan (APFP) and approved by the Policy & Resources Committee, is deemed as authorised to commence, provided there is not an additional authorisation requirement identified, such as theme committee approval.
- 1.2 The APFP is set out in Appendix 1 and it includes all known procurements that are anticipated in the 2022-23 financial year. These have been identified against category of spend as follows:

Sub-£25k (£10,000-£24,999)
ITQ (£25,000-£189,329)
OJEU & Works (ITQ (> £189,330))
Framework Agreement

Each category value is subject to different governance authorisation requirements, as detailed within the Council Constitution Article 10 Table B and Contract Procedure Rules. The APFP includes all procurement exercises that are envisaged to be required during the year. The APFP provides greater oversight and better planning of procurement activity and should not be regarded as indicating approval (or otherwise) of the business case for any particular scheme or project. As an appendix to the committee report the APFP provides a good practice, transparent annual update to the market of envisaged procurement activity.

- 1.3 The APFP does not identify source of funding, as this is a service area responsibility. The procurement activity cannot commence without confirmed source of funding which is confirmed in the Procurement Launch Document.

- 1.4 The APFP contract title relates to topic of envisaged procurement activity this will be finalised upon authorisation of Procurement Launch Document (PLD) an prior to release of procurement activity to market.
- 1.5 The APFP Appendix identifies activities of £0.500m and above which require additional approval to proceed. The additional reporting requirements on the APFP relate to activities that are subject to one or more of the following criteria:
- provision of Full Business Case (FBC);
 - capital works funding;
 - high value projects/programmes, and;
 - any activity identified at point of APFP authorisation by Policy & Resources Committee.
- 1.6 Additional authorisation for values in excess of £0.500m will be sought by committee report to the following theme committees:

Service Area	Committee
Growth & Development	Housing and Growth Committee
Re	Housing and Growth Committee
Children's and Family Services	Children Education and Safeguarding Committee
Libraries Services	Community Leadership and Libraries Committee
Adults and Public Health	Adults and Safeguarding Committee
Environment including Street Scene	Environment Committee
Assurance, Commercial and Resources	Policy & Resources Committee

2. REASONS FOR RECOMMENDATIONS

- 2.1 To comply with the council's Contract Procedure Rules, which form part of the council's Constitution.
- 2.2 To avoid presentation of multiple individual service area requests for approval to procure values above £189,330 to council committees.
- 2.3 To provide visibility of individual service area requirements to procure lower values above £10,000 and beneath £189,329. Inclusion on the APFP provides both visibility and authorisation to procure, subject to budget confirmation.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 To present individual requests to Policy & Resources Committee and other thematic committees as procurement activity comes due. This is not recommended owing to the administration burden it would place upon officers and members to prepare, consider and approve each activity.

4. POST DECISION IMPLEMENTATION

- 4.1 Officers will proceed with a review of the authorised APFP 2022-23.
- 4.2 Procurement activities will commence, where there is no additional approval mechanism, as CSG Procurement Business Partners confirm with service area leads/budget holders that the requirement to procure is still valid and a procurement launch document (PLD) is fully completed. The PLD provides an audit trail which confirms the requirement, authorisation for procurement is in place, the procurement option/strategy to be delivered, the budget for the contract, alignment with Council policies, collaboration, working with SMEs, apprenticeships, risks and procurement timeline.
- 4.3 Review of the APFP by CSG Procurement Business Partners and service areas will include potential aggregation of requirements across services and removal of items that are not being progressed and/or procurement has been concluded removing the need for authorisation to proceed within the financial period of the APFP.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The APFP will enable the Council to maintain an accurate oversight of procurement activity across the full range of services and support more commercial and efficient procurement practices. The APFP supports transparency and drives achievement of the Council's key priorities as set out in The Barnet Plan 2021-2025. The Council, working with local, regional and national partners, will strive to deliver the following outcomes:

- 1) Clean, Safe and Well Run : A place where our streets are clean and anti-social behaviour is dealt with so residents feel safe. Providing good quality, customer friendly services in all that we do
- 2) Family Friendly : Creating a Family Friendly Barnet, enabling opportunities for our children and young people to achieve their best.
- 3) Healthy : A place with fantastic facilities for all ages, enabling people to live happy and healthy lives.
- 4) Thriving : A place fit for the future, where all residents, businesses and visitors benefit from improved sustainable infrastructure & opportunity.

- 5.1.2 The APFP will enable identification of procurement activity in support of Barnet's Social Value Policy and the delivery of contracts which align with social value TOMs and provide evidence in support of community benefit through social value delivery of procured contracts.

5.1.3 The Council is a signatory to London Council's Procurement Pledge "to create jobs and training through its supply chain." It is to be noted, that the Social Value Policy paper elsewhere on the committee agenda captures the requirements typically expected through this pledge:

- Recruit a percentage of the workforce locally, for example by advertising with local Jobcentre Plus;
- Create apprenticeships;
- Offer a number of work placements to young people, graduates, or workless people;
- Offer additional training and qualifications opportunities to a percentage of their existing workforce;
- Work with their own supply chains to create additional opportunities;

5.2 **Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

5.2.1 The costs pertaining to the contracts contained within the Appendix to this report are contained within the individual service budgets of the Council.

5.2.2 Procurement will work with individual services to:

- confirm continuation of envisaged requirement as recorded on the published plan within the Appendix
- ascertain the budget source (capital/revenue/grant) for the contract which will result from the procurement exercise and achieve finance confirmation for budget spend
- consider aggregation opportunities across service requirements

5.2.3 Value for money is a key consideration; both when identifying opportunities to join up procurement activity across Barnet or as part of consortium arrangements, and in the tender evaluation process.

5.3 **Social Value**

5.3.1 The Public Services (Social Value) Act 2012 requires that consideration is given for above threshold £189,330 from January 2020 service contracts to secure benefits for the community, environment and value for money for the London Borough of Barnet as follows:

- (a) how what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area; and
- (b) how, in conducting the process of procurement, it might act with a view to securing that improvement.

5.3.2 The council has extended the Social Value Act's requirements through development of a Social Value Policy to support social value and sustainability delivery opportunities through all procurements at the Council, not just above threshold services contracts. This is discussed elsewhere on this committee's agenda.

5.3.3 Service areas will be asked to confirm that the development of specifications for all proposed procurements have taken these requirements into consideration. It should be

noted that such considerations could compromise the Council's ability to maximise the value for money it can achieve, so a balance will be sought wherever possible

5.4 Legal and Constitutional References

5.4.1 The Council's Constitution, Article 7 sets out the terms of reference of the Policy and Resources Committee including:

(1) To determine strategic policy, finance and corporate risk management including recommending: Capital and Revenue Budget; Medium Term Financial Strategy and Corporate Plan to Full Council, Finance issues, Procurement Forward Plan, Local Plans, Information Technology, Strategic Partnerships, Customer Services and Resident Engagement, Emergency Planning and the effective use of resources.

5.4.2 The Council's Constitution, Article 17 (Contract Procedure Rules) sets out the authorisation process for entering contractual commitments. "Authorisation" is the approval required before quotations or tenders for supplies, services or works may be sought in accordance with Council Constitution Article 10 Table B.

5.4.3 The Council's Constitution Article 10 Table B summarises Authorisation and Acceptance Procedures, including that procurements of £500,000 and over may be authorised by the Annual Procurement Forward Plan:

- The aim is to speed up the procurement process by removing unnecessary bureaucracy – in this case, a duplication of the authorisation process.
- Any contract, including additions, extensions and variations, which have been included in a directorate or service's Budget and supporting plans and strategies or any other Committee approved plan is deemed as authorised irrespective of value.
- The Contract Procedure Rules at paragraph 4.3 states that there are separate reporting and authorisation conditions for certain procurement exercises, and these are set out in the Appendix 1 to this Report. This requirement means that Members will receive more detailed information on certain procurement activities before they are authorised.

5.5 Risk Management

5.5.1 If the Council does not manage the contract renewal programme effectively and efficiently it could lead to a detrimental impact on value for money and the likelihood of delivering significant procurement savings. In addition, the Council will be unable to forward plan the need for appropriate resource to support the programme. Well planned processes will enable effective commercial negotiations to take place thereby driving lower costs from the portfolio of contracts put to market.

5.6 Equalities and Diversity

5.6.1 Pursuant to the Equality Act 2010, the Council and all other organisations exercising public functions on its behalf must have due regard to the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advance equality of opportunity between those with a protected characteristic and those without; promote good relations between those with a protected characteristic and those without. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. It also covers marriage and civil partnership with regard to eliminating

discrimination. All organisations that submit tenders for Council business are required to submit their Policy Statement regarding how they manage compliance with the Equality Act, or equivalent legislation.

5.7 Corporate Parenting

5.7.1 Identified service area procurements may have direct and/or indirect impacts on looked after children and care leavers. Procurement will work with service areas to identify any opportunities to support children in care and/or care leavers as part of the procurement process, as well as to identify and seek to mitigate any potential adverse impacts of a procurement.

5.8 Consultation and Engagement

5.8.1 Consultation and engagement will take place within individual procurement projects as appropriate to the product(s) or service(s) required. Service users will be engaged in the procurement process as part of a co-design approach where appropriate.

5.9 Insight

5.9.1 Insight data will be used to support the delivery of the Annual Procurement Forward Plan as it will enable preparation of market engagement with internal and external stakeholders prior to procurement exercises and that Barnet's community requirements are considered to inform these.

5.9.2 Post tender delivery insight data will be used to support contract management.

6. BACKGROUND PAPERS

6.1 Policy and Resources Committee 5 December 2017 Agenda item 11 Annual Procurement Forward Plan 2018/19 Appendix 1 Procurement activity by service area for 2018/19

<https://barnetintranet.moderngov.co.uk/documents/s43785/Annual%20Procurement%20Forward%20Plan%20APFP%2020182019.pdf>

6.2 Policy and Resources Committee 13 February 2018 Agenda item 9 Annual Procurement Forward Plan Supplement 2018/19 Appendix 1 Annual Procurement Forward Plan Supplement 2018-19

6.3 <https://barnetintranet.moderngov.co.uk/documents/s44913/Annual%20Procurement%20Forward%20Plan%20APFP%20Supplement%2020182019.pdf>

6.4 Policy and Resources Committee 11 December 2018 Agenda Item 13 Annual Procurement Forward Plan 2019/20 Appendix 1 Annual Procurement Forward Plan 2019/20

<https://barnet.moderngov.co.uk/documents/s50126/Annual%20Procurement%20Forward%20Plan%20APFP%202019-2020.pdf>

6.5 Policy and Resources Committee 6 January 2020 Agenda Item 10 Annual Procurement Forward Plan 2020/21 Appendix 1 Annual Procurement Forward Plan 2020/21

<https://barnet.moderngov.co.uk/documents/s56939/Annual%20Procurement%20Forward%20Plan%20APFP%2020202021.pdf>

6.6 Policy and Resources Committee 8 December 2020 Agenda Item 13 Annual Procurement Forward Plan [APFP] 2021/22

<https://barnet.moderngov.co.uk/documents/s62441/Annual%20Procurement%20Forward%20Plan%20APFP%2020212022.pdf>