



Policy and Resources Committee 22 February 2023

Title	Annual Procurement Forward Plan [APFP] 2023/2024
Report of	Chair of the Policy & Resources Committee
Wards	All
Status	Public
Urgent	No
Key	Yes
Enclosures	Appendix 1 – Annual Procurement Forward Plan 2023/24
Officer Contact Details	Cath Shaw, Deputy Chief Executive cath.shaw@barnet.gov.uk Tim Campbell, Interim Assistant Director (Commercial & Procurement) tim.campbell@barnet.gov.uk Susan Lowe, Senior Business Partner, Procurement susan.lowe@barnet.gov.uk

Summary

This report sets out the detail of envisaged procurement requirements for 2023/2024 and, where known, for 2024/25, 2025/26. 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, available budget, 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 and set out in the Constitution, Contract Procedure Rules.

Officers' Recommendations

- 1. That the Committee approve the Annual Procurement Forward Plan to enable commencement of procurement activity for 2023/24 – 2025/26.**
- 2. That the Committee note the requirements for procurement activity to be subject to service confirmation of continued requirement, any additional approvals required under the Council's Constitution, including the Contract Procedure Rules, and authorisation of a Procurement Launch Document including identification of approved budget source as set out in Appendix 1.**

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 Cabinet or Portfolio holder approval depending on the value of the procurement. The expectation is that Cabinet approval will be required for contracts over £0.500m in the new executive system unless they are authorised via the Cabinet decision on the APFP.
- 1.2 The APFP is set out in Appendix 1 and it includes all known procurements that are anticipated in the 2023-24 financial year. These have been identified against category of spend as follows:

Sub-£25k (£10,000-£24,999)
ITQ (£25,000-£213,476)
Find a Tender Service [FTS] & Works ITQ (> £213,477)
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 oversight and enables 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 the source of funding, as this is a service area responsibility. The procurement activity cannot commence without confirmed source of funding/budget allocation which is confirmed in the Procurement Launch Document (PLD).
- 1.4 The APFP contract title relates to the topic of envisaged procurement activity which will be finalised upon authorisation of Procurement Launch Document (PLD) and 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 [from cabinet when the new executive system is established, which can be via the APFP, subject to any additional requirements, and in the meantime] by committee report to the following theme committees:

Service Area	Committee
Growth & Development	Housing and Growth Committee
Development & Regeneration Services	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
Highways 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 requests for approval to procure contracts above £0.213m to portfolio members and over £0.500m to Cabinet. Cabinet approval can be via approval of the APFP.
- 2.3 To provide visibility of individual service area requirements to procure lower values above £10,000 and beneath £213,476. 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 through the prevailing political governance structures 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 Procurement and service area officers will proceed with a review of the authorised APFP 2023-24.
- 4.2 Procurement activities will commence, where there is no additional approval mechanism, as 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 authorised. The PLD provides an audit trail which confirms the requirement, authorisation for procurement is in place including Capital Strategy Board approval as appropriate, the procurement option/strategy to be delivered, the budget for the contract, alignment with Council policies, collaboration, working with SMEs, apprenticeships, risks, delivery of Social Value and procurement timeline.
- 4.3 Review of the APFP by 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

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 previous Barnet Plan 2025 and is aligned with the key priorities in the new corporate plan. Built on the pillars of "***caring for people, our places and the planet***" the plan sets out the key priorities and specific areas of focus we will undertake to deliver this vision. The pillars are underpinned by a foundation of being ***Engaged and Effective***. This part of the report refers how we will become a 'listening council' collaborating and building a continuous dialogue with residents and communities. It also refers to how we will transform how we work to deliver these priorities.

- 5.1.1 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 Themes, Outcomes and Measures (TOMs) and provide evidence in support of community benefit through social value delivery of procured contracts.
- 5.1.2 The APFP will also enable identification of procurement activity in support of sustainability and net zero targets.
- 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 of the Council 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. All procurements are subject to confirmation that budget is in place for the identified contracts.

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 Best value 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 Legal and Constitutional References

5.3.1 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.

5.3.2 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.

5.3.3 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.

5.4 Insight

5.4.1 Insight data will be used to support the delivery of the APFP 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.

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

5.5 Social Value

5.5.1 The Public Services (Social Value) Act 2012 requires that consideration is given for above threshold (£213,477 from January 2022) 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.

5.5.2 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.

5.5.3 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

5.6 Risk Management

5.6.1 If the Council does not manage the contract renewal programme effectively and efficiently it could lead to a detrimental impact on best value 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.

5.7 Equalities and Diversity

5.7.1 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.

5.8 Corporate Parenting

5.8.1 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.

5.9 Consultation and Engagement

5.9.1 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.

5.10 Environmental Impact

5.10.1 There are no direct environmental implications from noting the recommendations. Implementing the recommendations in the report will lead to a positive impact on the Council's carbon and ecology impact, or at least it is neutral.

6. Background papers

- 6.1 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>
- 6.2 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>
- 6.3 Policy and Resources Committee 9 December 2021 Agenda Item 8 Annual Procurement Forward Plan [APFP] 2022/23
<https://barnet.moderngov.co.uk/documents/s69057/Annual%20Procurement%20Forward%20Plan%20APFP%202022-2023.pdf>