

Executive Decision Report

CORPORATE PROCUREMENT PLAN 2012/13

Decision to be taken by: **City Mayor**

Decision to be taken on: **20 November 2012**

Lead director: **Alison Greenhill**



City Mayor

Useful information

- Ward(s) affected: **All**
- Report author: **Colin Sharpe**
- Author contact details: **Tel:29 7390 Email: colin.sharpe@leicester.gov.uk**
- Report version number: **001**

1. Summary

The purpose of this report is to obtain approval to the 2012/13 Corporate Procurement Plan and to inform the City Mayor and Executive of the proposed up and coming major procurement activity across the Council.

2. Recommendations

It is recommended that the Executive approves the attached 2012/13 Corporate Procurement Plan and delegates the commissioning process and letting of contracts to Divisional Directors subject to early consultation with the relevant Executive Member.

3. Supporting information including options considered:

The Corporate Procurement Plan serves two principal purposes:

- a) To inform potential suppliers of major future market activity, including meeting the statutory requirement to publish planned procurement over the EU thresholds; and
- b) To provide the Executive and other readers with an overview of significant procurement activity.

Entry on the Plan does not guarantee that procurement will happen and the actual costs may vary from the estimates.

To compile this plan, Directors were asked to supply details of planned procurements during the 2012/13 period. The database of existing contracts was reviewed to identify contracts approaching expiry. The Plan includes contracts scheduled to start in the later months of 2012/13 and those with a planned start date in 2013/14. A number of new contracts due to commence in the earlier part of 2012/13 were included in the 2011/12 Plan and are therefore not included with this report.

The scope of the Plan has been affected by a number of major reviews across the Council, which are leading to the extension of existing contracts and insufficient clarity at this stage to include future procurements within the Plan. These include the 0-19 Review in Children's Services and the VCS Commissioning Review. Work is on-going to review the approach to procurement in Property Services and Housing Services. The Plan therefore includes less procurement activity in these areas than might usually be expected. It will also be noted that the contract term and values are still to be

determined for some procurements, for example whilst review work takes place and the impact of the changes to the NHS upon the Council's commissioning role becomes clearer. A number of former separate Adult Care contracts are being rolled up into the major Care Services Framework Agreement shown in the Plan.

The Plan does not specifically include major projects in the capital programme, most notably construction and improvement schemes within the Property Division. The procurements for such schemes are expected to use existing contractual arrangements or specific construction tenders sought in line with the capital programme approval.

As the strategic review of procurement proceeds and procurement activity is brought together within the new corporate strategic procurement team under a category management approach, the robustness of the Procurement Plan and the associated Contracts Database will improve. They will be used by the team to achieve both a better strategic approach to procurement planning (including delivering the outcomes in the Local Procurement Task Force delivery plan) and improved operational monitoring and review.

The 2012/13 Plan will be reviewed at the turn of the year, with progress and any additions to be reported to the Executive and the Overview Select Committee in the New Year.

Directors should seek the early involvement of the relevant Executive Member in the commissioning process, with formal consultation on the subsequent letting of a contract as required by the Council's procedures.

Options

- i) Do not approve the Corporate Procurement Plan.
- ii) Approve the Plan.

The disadvantage of option i) is that officers would not be able to proceed with the planned procurements. This would impact upon service delivery. There would also be an impact upon value for money and competition amongst suppliers if existing contracts had to be extended.

The advantage of option ii) is that the officers can proceed with the planned procurements, and hence the Council's service delivery requirements should be met in line with up to date service specifications and proposals from suppliers.

4. Details of Scrutiny

None at this stage. A progress report will be taken to the Overview Select Committee in the New Year.

5. Financial, legal and other implications

5.1 Financial implications

Inclusion of contracting activity on the attached Plan is a statement of intent and is subject to the necessary funding being available. The Plan provides a basis for challenge and a more strategic approach to achieving value for money through major procurement activity.

Colin Sharpe
Head of Finance, City Development and Neighbourhoods
Ext 29 7390

5.2 Legal implications

5.2.1. Each procurement will need to follow due process in accordance with internal and legislative requirements, with advice from the Corporate Procurement Team and Legal Services.

5.3 Climate Change and Carbon Reduction implications

5.3.1 There are no significant climate change implications arising directly from this report.

5.4 Equality Impact Assessment

These will be considered a part of each procurement process.

5.5 Other Implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

None.

6. Background information and other papers:

None.

7. Summary of appendices:

Appendix 1 – Corporate Procurement Plan 2012/13.

8. Is this a private report (If so, please indicated the reasons and state why it is not in the public interest to be dealt with publicly)?

No.

9. Is this a “key decision”?

Yes

