

Commissioning and Procurement Sub-Committee – 9th March 2021

Subject:	Nottingham City Council Procurement Plan 2021-2026		
Corporate Director(s)/ Director(s):	Hugh White, Acting Director for Strategy & Resources Steve Oakley, Acting Director for Commissioning and Procurement		
Portfolio Holder(s):	Councillor Sam Webster, Portfolio Holder for Finance, Growth and the City Centre		
Report author and contact details:	Jo Pettifor, Category Manager – Strategy and People Jo.Pettifor@nottinghamcity.gov.uk 01158765026		
Other colleagues who have provided input:			
Key Decision	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Subject to call-in
			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Reasons:	<input type="checkbox"/> Expenditure	<input type="checkbox"/> Income	<input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision
			<input type="checkbox"/> Revenue <input type="checkbox"/> Capital
Significant impact on communities living or working in two or more wards in the City			<input type="checkbox"/> Yes <input type="checkbox"/> No
Total value of the decision: nil			
Wards affected: All	Date of consultation with Portfolio Holder(s): Cllr Webster – 17 th February 2021		
Relevant Council Plan Key Theme:			
Nottingham People			<input checked="" type="checkbox"/>
Living in Nottingham			<input checked="" type="checkbox"/>
Growing Nottingham			<input checked="" type="checkbox"/>
Respect for Nottingham			<input checked="" type="checkbox"/>
Serving Nottingham Better			<input type="checkbox"/>
Summary of issues (including benefits to citizens/service users):			
This report presents an update of the Nottingham City Council Procurement Plan for 2021 – 2026, which sets out the Council’s planned programme of procurement activity for all goods, works and services over this five-year period. The Plan is attached at Appendices 1- 3. The outcomes of procurement activity undertaken during 2020/21 will be reported in the ‘Procurement Strategy Implementation Report’ at the end of the year.			
Exempt information:			
State ‘None’ or complete the following.			
None			
Recommendation(s):			
1 To note the Nottingham City Council Procurement Plan 2021 – 2026			
2 To note that the Procurement Plan is indicative of planned procurement activity and timescales, which may be subject to change dependent on the outcomes of the strategic commissioning process, service budgets and priorities and the full consideration of procurement options for each requirement.			
3 To note that the outcomes of procurement activity undertaken in accordance with the Plan during 2020/21 will be reported at the end of the year.			

1 Reasons for recommendations

- 1.1 The Procurement Plan is a key mechanism in the implementation of the Nottingham City Council Procurement Strategy 2018-2023 in order to deliver the Council's strategic priorities. It enables the planning of procurement activity under the Strategy, to achieve the key procurement objectives of:
- Citizens at the heart
 - Securing economic, social and environmental benefits
 - Commercial efficiency
- 1.2 The Procurement Plan enables the Council to secure value for money, manage financial resources effectively and align its commissioning and procurement activity with the Council's Medium Term Financial Plan (MTFP), through a planned approach and robust financial analysis for each project. A strategic category management approach will maximise the value of spend and generate savings wherever possible for Departmental budgets.
- 1.3 The Procurement Plan supports compliance with the UK Public Procurement Regulations and the Council's Financial Regulations and Contract Procedure Rules by enabling procurement activity to be planned and undertaken prior to the expiry of existing contracts. This minimises the need for dispensation from the Financial Regulations to extend contracts beyond their expiry date without formal tendering, other than in genuinely exceptional circumstances. This is important in relation to goods and services that are subject to the full application of the Procurement Regulations.
- 1.4 The Procurement Plan provides information for internal and external stakeholders about planned procurement activity and facilitates collaboration with partner organisations in procurement activity. It allows other service departments (such as Legal Services) to include support for procurement activity in their work plans.
- 1.5 The Procurement Plan informs provider markets about forthcoming opportunities to bid for Council contracts; enabling suppliers to prepare and to access market development support.
- 1.6 The Procurement Plan supports the Council's commercialisation agenda and facilitates 'Make or Buy' considerations by enabling these opportunities to be identified in advance of existing contracts being due for renewal.

2 Background (including outcomes of consultation)

- 2.1 A Procurement Plan was initially developed to align the planning of procurement and contracting activity with the programme of Strategic Reviews of commissioned services. It was first reported to Commissioning Sub Committee in May 2012 and has subsequently been maintained and reported routinely.
- 2.2 In April 2020, a review was undertaken of planned procurement activity in the light of the COVID-19 outbreak, to determine whether planned tenders should proceed or be paused due to the impact of the pandemic. It was decided to pause some non-essential procurement activity to enable resources to be focussed on the Council's key priorities, in particular providing support for Social Care delivery. Additionally it was identified that due to the disruption to supplier markets, providers may have difficulty participating in formal tenders, and there was likely to

be a negative impact on pricing or the viability of any tenders received. For those procurement projects that were paused, the Procurement Team continued to work with client Departments to consider the longer term sourcing options and to agree plans for securing continued delivery through a compliant arrangement as soon as possible.

2.3 Procurement activity has resumed as appropriate during the latter part of 2020/21, and the Procurement Plan has been refreshed to set out planned activity for the period 2021-2026. A copy of the current 5-year Procurement Plan is attached at Appendices 1- 3. It presents planned procurement activity across the Council; showing the anticipated commencement and completion dates and key stages for each project. It is presented under the three procurement categories managed by the Procurement Team:

- ‘People’ - commissioned services for citizens including: social care and support for adults and children, community, public health and education
- ‘Places’ – including: major projects, minor works, highways, school capital works, safety and compliance, operator services and temporary structures
- ‘Products’ – including: transport, energy, waste, environmental services, professional services, ICT, soft facilities management and business support

2.3 The Procurement Plan is indicative of anticipated procurement activity and may be subject to change, for example following commissioning decisions or due to changes to service budgets and priorities. In each commissioning process, the procurement options are considered based on a number of factors, including: future need for the goods, works or services, model of provision, consideration of ‘Make or Buy’, compliance with the Council’s financial regulations and Public Procurement Regulations, and the overall risks, costs and benefits of tendering. It should be noted that for some projects in their early stages, procurement timescales are not yet known therefore are not showing on the plan.

2.4 All procurement activity is conducted in accordance with the core principles of the Nottingham City Council Procurement Strategy 2018-23:

- Commercial efficiency
- Citizens at the heart
- Partnerships and collaboration
- Governance, fairness and transparency
- Ethical standards
- Innovation and improvement.

3 Other options considered in making recommendations

3.1 Do nothing. This would impact upon the delivery of the Council’s procurement activity across all goods, works and services. It would risk non-compliance with the Council’s Financial Regulations and Contract Procedure Rules, and the UK Procurement Regulations due to procurement activity not being undertaken in a timely way and contracts needing to be extended beyond their expiry date. In relation to commissioned services, it would impact upon the alignment of procurement activity with the programme of commissioning reviews undertaken within Strategy and Resources. For these reasons, this option was rejected.

4 Finance colleague comments (including implications and value for money/VAT)

4.1 The recommendations contained within this report do not have any specific financial implications at this stage.

- 4.2 Each element of the Procurement Plan, as set out in Appendices 1- 3, will require separate approvals via the relevant process as appropriate at the time to meet the particular contract value. This approval will include the appropriate financial implications and recommendations ensuring budget availability, impacts to revenue and capital funds, financial risk, value for money and alignment to any procurement savings already captured as part of the Medium Term Financial Plan (MTFP).
- 4.3 Each element of the Procurement Plan should be reviewed to ensure expenditure is meeting strategic objectives of the council, is business critical and essential considering the financial context that Nottingham City Council is operating in.

Phil Gretton, Strategic Finance Business Partner, 09 February 2021

5 Legal and Procurement colleague comments (including risk management issues, and including legal, Crime and Disorder Act and procurement implications)

- 5.1 The Council's Financial Regulations and Contract Procedure Rules and the UK Public Contracts Regulations 2015, Concession Contracts Regulations 2016 and Utilities Contracts Regulations 2016 dictate that the Council should undertake a formal tender process for the award of contracts of a particular value. The Procurement Plan addresses the risk of non-compliance with these Regulations by providing a tool for planning procurement activity across all contracts based on their expiry date.
- 5.2 The Procurement Plan sets out an ambitious programme of procurement activity across all categories of goods, works and services. Planned procurement activity includes the re-tendering of existing contracts prior to expiry, and anticipated procurement of new goods, works and services to meet new priorities. The delivery of this programme of activity depends upon the necessary resources being available. The tenders undertaken will be dependent on the outcomes of the commissioning process for each requirement and will be subject to a formal decision making process.

Legal Comments

- 5.3 The Legal Services team provides support and contributes to the delivery of the Procurement Plan by advising on; relevant legislation, the legal and commercial risks involved with tenders and contracts and the City Council's Constitution. Notwithstanding Brexit and the expiry of the Transition Period on 31st December 2020 the Public Contracts Regulations 2015 (which set out the City Council's primary procurement duties) remain in force subject to some minor changes. However the UK Government has commenced a consultation on the procurement regime entitled 'Transforming public procurement'. The proposals being considered include creating a simpler regulatory regime and fewer procurement procedures. The Legal Services team will work with Procurement colleagues to ensure compliance by the City Council with any new legislation which may follow on from the consultation.

Andrew James, Team Leader Commercial, Employment and Education, 10th February 2021

6 Social value considerations

- 6.1 The Nottingham City Council Procurement Strategy 2018-2023 drives the delivery of social value for the City by outlining how we will address economic, social and environmental considerations at all stages of the procurement cycle, through the framework of the Public Services (Social Value) Act 2012. The strategic objectives for procurement are set out under the key economic, social and environmental themes, with proposed actions to maximise the social value benefits secured through all our purchasing activity.
- 6.2 For each planned procurement process, full consideration will be given and consultation undertaken on how the goods, works or services procured could improve economic, social and environmental well-being in Nottingham. In relation to commissioned services for vulnerable adults and children, social improvements are expected for those receiving services.
- 6.3 Procurement activity undertaken in accordance with the Procurement Plan will support the implementation of the Council's Business Charter, through the inclusion in relevant contracts of appropriate contract specific requirements and targets based on the principles of the Charter. To maximise the economic, social and environmental benefits delivered from each contract, the contract requirements will be developed in each case as appropriate and proportionate to the contract being procured.
- 6.4 A Procurement Information Management System is maintained as a mechanism to monitor the outcomes of procurement activity undertaken, in particular progress against the key economic, social and environmental objectives of the Procurement Strategy.

7 Regard to the NHS Constitution

- 7.1 This will be considered where appropriate for relevant service areas.

8 Equality Impact Assessment (EIA)

- 8.1 Has the equality impact of the proposals in this report been assessed?

No



An EIA is not required because the report does not contain proposals for new or changing policies, services or functions, financial decisions or decisions about implementation of policies development outside the Council.

9 List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)

- 9.1 None

10 Published documents referred to in this report

11.1 Nottingham City Council Procurement Strategy 2018-2023

11.2 Public Services (Social Value) Act 2012

11.3 The Public Contracts Regulations 2015

11.4 The Concessions Contracts Regulations 2016

11.5 The Utilities Contracts Regulations 2016