

**AGENDA ITEM**

**REPORT TO CABINET**

**27 FEBRUARY 2020**

**REPORT OF CORPORATE  
MANAGEMENT TEAM**

**CABINET / KEY DECISION**

**Leader of the Council - Lead Cabinet Member – Councillor Bob Cook**

**2020/21 ANNUAL PROCUREMENT PLAN / HIGHER VALUE CONTRACTS**

**SUMMARY**

This report seeks approval from Cabinet for the award of a number of planned higher value contracts scheduled for 2020/21, where the value exceeds the limit on officer delegated authority and which are either funded within the approved MTFP or are subject to a bid for external funding.

**REASONS FOR RECOMMENDATIONS/DECISIONS**

To enable Cabinet to exercise its strategic oversight of higher value planned procurement projects, in accordance with the updated constitution and to avoid the need to submit multiple individual requests for contract approvals.

**RECOMMENDATIONS**

That Cabinet

1. approves the contracts listed in Annex 1;
2. gives authority to the relevant Director or Assistant Director to make the specific contract award decisions and any subsequent contract variation and extension decisions in accordance with the delegations listed in Annex 1.
3. approves contracts relating to capital schemes included in the Capital Programme 2020/21 as listed in Annex 2.
4. Give authority to the Director of Economic Growth and Development Services and/ or the Director of Finance and Business Services and/ or the Director of Community Services to make specific contract award decisions and any subsequent contract variation and extension decisions to contracts relating to the Capital Programme 2020/2021.

**DETAIL**

1. The constitution defines a range of decisions that require a specific Cabinet approval, the financial threshold for which is set at a level of £500k or more. Annex 1 lists the known procurement projects over £500k that are underway and due for contract award. The value of the individual contracts each exceeds the financial threshold and have not otherwise been delegated to officers.

**COMMUNITY IMPACT IMPLICATIONS**

2. Not applicable.

## **CORPORATE PARENTING IMPLICATIONS**

3. Not applicable.

## **FINANCIAL IMPLICATIONS**

4. The report sets out a number of higher value contracts expected to be awarded in the current financial year. The expenditure committed as a result of these procurements is planned and remains within the Council's approved budget/MTFP or is subject to a bid for external funding which will ensure that at the point of contract award funds are available within the MTFP.

## **LEGAL IMPLICATIONS**

5. Notwithstanding Cabinet approval it remains the responsibility of officers to ensure that the correct processes within Contract Procedure Rules have been followed and that where applicable the Public Contracts Regulations 2015 are complied with.
6. Where the value of goods, services or works exceeds the threshold at which the procurement process must comply with the Public Contracts Regulations either a tender exercise or the use of a suitable framework agreement will comply with the Regulations.

## **RISK ASSESSMENT**

7. These procurements are categorised as low to medium risk. Existing management systems and activities are sufficient to control and reduce risk.

## **WARDS AFFECTED AND CONSULTATION WITH WARD/COUNCILLORS**

8. Not applicable – does not relate directly to specific wards.

## **BACKGROUND PAPERS**

None

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## Annex 1

<b>NEPO 515 Children &amp; Adults Barrister Service</b>	
<ol style="list-style-type: none"> <li>1. NEPO will carry out a tender process to appoint barristers onto a framework agreement allowing the Council to purchase services to provide specialist advice and advocacy in relation to children and adult social care matters.</li> <li>2. The new framework agreement will be in place from 1.11.2020.</li> <li>3. The current annual spend is circa £155k.</li> </ol>	
Key Decision: No	Funding within MTFP: Yes
Delegated Officer: Beccy Brown, Director of HR, Legal & Communications	
Checks and Balances: In consultation with other appropriate officers for professional advice to include finance and procurement.	

<b>Managed Fleet Stores Service</b>	
<ol style="list-style-type: none"> <li>1. Middlesbrough Borough Council (acting on behalf of the Tees Valley Councils) will carry out a further competition process from a suitable framework agreement allowing the Council to contract with a managed fleet store service provider.</li> <li>2. The new contract will be in place from 1.6.2020.</li> <li>3. The current annual spend is circa £316k.</li> </ol>	
Key Decision: No	Funding within MTFP: Yes
Delegated Officer: Jamie McCann, Director of Community Services	
Checks and Balances: In consultation with other appropriate officers for professional advice to include finance and procurement.	

<b>Virtual Platform Refresh</b>	
<ol style="list-style-type: none"> <li>1. The Council will tender for an ICT virtual platform contract which runs all of the servers, applications and documents used by Xentrall Shared Services at both Stockton and Darlington Councils.</li> <li>2. The new contract will be in place from 1.4.2021.</li> <li>3. The current annual cost is circa £107k</li> </ol>	
Key Decision: No	Funding within MTFP: Yes
Delegated Officer: Ian Miles, Assistant Director Xentrall Shared Services	
Checks and Balances: In consultation with other appropriate officers for professional advice to include finance and procurement.	

<b>Annual Supply of Grounds Maintenance Equipment</b>	
<ol style="list-style-type: none"> <li>1. The Council will tender for the supply for hire of grounds maintenance equipment. This will enable the Horticultural Services Team to deliver a grass cutting service across the borough over a 32-week period each year.</li> <li>2. The new contract will be in place from 1.1.2021</li> <li>3. The current annual spend is circa £220k.</li> </ol>	
Key Decision: No	Funding within MTFP: Yes
Delegated Officer: Jamie McCann, Director of Community Services	
Checks and Balances: In consultation with other appropriate officers for professional advice to include finance and procurement.	

<b>NEPO 307 Liquid Fuels</b>	
<ol style="list-style-type: none"> <li>1. NEPO will carry out a tender process to appoint suppliers onto a framework agreement allowing the Council to purchase Liquid fuels (diesel, petrol, gas oil and kerosene).</li> <li>2. The new framework agreement will be in place from 1.8.2020</li> <li>3. The current annual spend is circa £1.3m.</li> </ol>	
Key Decision: Yes	Funding within MTFP: Yes

Delegated Officer: Jamie McCann, Director of Community Services	
Checks and Balances: In consultation with other appropriate officers for professional advice to include finance and procurement.	

<b>NEPO 219 Building Materials</b>	
<ol style="list-style-type: none"> <li>NEPO will carry out a tender process to appoint suppliers onto a framework agreement allowing the Council to purchase various types of building materials required predominantly by the Council's Community Services Department for both planned and reactive works.</li> <li>The new framework agreement will be in place from 1.4.2020</li> <li>This is a new framework agreement and the value of the spend across the appointed suppliers is expected to be in the region of £1.5m/annum.</li> </ol>	
Key Decision: Yes	Funding within MTFP: Yes
Delegated Officer: Jamie McCann, Director of Community Services	
Checks and Balances: In consultation with other appropriate officers for professional advice to include finance and procurement.	

<b>NEPO 507 Specialist Professional Services (EGDS Consultancy Partnership)</b>	
<ol style="list-style-type: none"> <li>NEPO have tendered a framework agreement to supply specialist professional services (consultancy) required to support council staff where they lack either resources or expertise in delivering a wide variety of services and projects.</li> <li>The Council will use this framework agreement to purchase services used by Economic Growth and Development Services.</li> <li>The services will commence 1.4.20.</li> <li>The current annual spend is circa £1.6m.</li> </ol>	
Key Decision: Yes	Funding within MTFP: Yes
Delegated Officer: Richard McGuckin, Director of Economic Growth & Development Services	
Checks and Balances: In consultation with other appropriate officers for professional advice to include finance and procurement.	

<b>NEPO 203 Rock Salt</b>	
<ol style="list-style-type: none"> <li>NEPO will carry out a tender process to appoint suppliers onto a framework agreement allowing the Council to purchase rock salt. The framework will be used by the Community Services Highways Section to ensure roads are free from snow and ice over the winter months.</li> <li>The new framework agreement will be in place from 1.4.2020.</li> <li>Spend through the framework agreement will fluctuate annually and is weather dependent and has averaged £108k/year over the last 4 years.</li> </ol>	
Key Decision: No	Funding within MTFP: Yes
Delegated Officer: Jamie McCann, Director of Community Services	
Checks and Balances: In consultation with other appropriate officers for professional advice to include finance and procurement.	

<b>NEPO 504 Election &amp; Electoral Registration Printing</b>	
<ol style="list-style-type: none"> <li>NEPO will carry out a tender process to appoint suppliers onto a framework agreement allowing the Council to purchase election and electoral registration printed materials.</li> <li>The new framework agreement will be in place from 30.06.2020.</li> <li>Spend through the framework agreement will fluctuate annually depending on the number of elections that take place and has averaged £162k per year over the last 4 years.</li> </ol>	
Key Decision: No	Funding within MTFP: Yes
Delegated Officer: Margaret Waggott, Assistant Director of Democratic, Administration & Electoral Services	
Checks and Balances: In consultation with other appropriate officers for professional advice to include finance and procurement.	

<b>NEPO 230 Highways &amp; Civils Engineering Materials</b>	
<ol style="list-style-type: none"> <li>1. NEPO will carry out a tender process to appoint suppliers onto a framework agreement to allow the Council to purchase various types of highways &amp; civil engineering materials required predominantly by the Council's Community Services, Highways Team.</li> <li>2. The new framework agreement will be in place from 1.09.2020.</li> <li>3. This is a new framework agreement and the value of the spend across the appointed suppliers is expected to be in the region of £160k/annum.</li> </ol>	
Key Decision: No	Funding within MTFP: Yes
Delegated Officer: Jamie McCann, Director of Community Services	
Checks and Balances: In consultation with other appropriate officers for professional advice to include finance and procurement.	

<b>Facilities Management Maintenance Services</b>	
<ol style="list-style-type: none"> <li>1. The Council will carry out a tender process to appoint suitable suppliers onto a framework agreement to allow the Council to purchase a range of facilities management maintenance services including: fire alarm and emergency lighting maintenance, disabled platform lift maintenance and passenger lift maintenance.</li> <li>2. The new framework agreement will be in place 01.04.2021.</li> <li>3. The current annual spend is circa £205k.</li> </ol>	
Key Decision: No	Funding within MTFP: Yes
Delegated Officer: Jamie McCann, Director of Community Services	
Checks and Balances: In consultation with other appropriate officers for professional advice to include finance and procurement.	

<b>Residential and Nursing Care Accommodation</b>	
<ol style="list-style-type: none"> <li>1. The Council will carry out a tender process to appoint suitable care providers onto a framework agreement to allow the Council to purchase care home placements in various residential care homes.</li> <li>2. The new framework agreement will be in place 01.04.2020.</li> <li>3. The current annual spend is circa £26,775,000</li> </ol>	
Key Decision: Yes	Funding within MTFP: Yes
Delegated Officer: Ann Workman, Director of Adults and Health	
Checks and Balances: In consultation with other appropriate officers for professional advice to include finance and procurement.	

<b>Personal Care in Prisons</b>	
<ol style="list-style-type: none"> <li>1. The Council will carry out a tender process to appoint a suitable care provider onto a framework agreement to allow the Council to purchase personal care in the prisons within the borough.</li> <li>2. The new framework agreement will be in place 01.04.2020.</li> <li>3. The current annual spend is circa £100,000</li> </ol>	
Key Decision: No	Funding within MTFP: Yes
Delegated Officer: Ann Workman, Director of Adults and Health	
Checks and Balances: In consultation with other appropriate officers for professional advice to include finance and procurement.	

<b>Supported Accommodation Services for Homeless Complex Individuals, Young People and Families</b>
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<ol style="list-style-type: none"> <li>1. The Council will carry out a tender process to appoint suitable providers to deliver supported accommodation services for homeless, complex individuals, young people and families.</li> <li>2. The new contracts will be in place 01.07.2020.</li> <li>3. The current annual spend is circa £1,355,000</li> </ol>	
Key Decision: Yes	Funding within MTFP: Yes
Delegated Officers: Richard McGuckin, Director of Economic Growth and Development Services, Martin Gray, Director of Childrens Services	
Checks and Balances: In consultation with other appropriate officers for professional advice to include finance and procurement.	

<b>Care at Home Services for people with Learning Disabilities living in Supported Living Accommodation</b>	
<ol style="list-style-type: none"> <li>1. The Council will carry out a further competition from the Care at Home – Enhanced Lot 2b Framework Agreement to deliver homecare services in supported living facilities.</li> <li>2. The new call off contracts will be in place during 2020/21.</li> <li>3. The current annual spend is circa £2,008,222</li> </ol>	
Key Decision: Yes	Funding within MTFP: Yes
Delegated Officer: Ann Workman, Director of Adults and Health	
Checks and Balances: In consultation with other appropriate officers for professional advice to include finance and procurement.	

<b>Care at Home in Zone E Areas 9 &amp;10 and Parkside Extra Care Scheme</b>	
<ol style="list-style-type: none"> <li>1. The Council will carry out a tender process to appoint suitable care providers onto a Care at Home – Standard Framework Agreement to allow the Council to purchase homecare services in Mandale &amp; Victoria, Parkfield and Oxbridge, Stainsby Hill, Ingleby Barwick East, Yarm and in Parkside Extra Care.</li> <li>2. The new framework agreement will be in place 18.05.2020.</li> <li>3. The current annual spend is circa £1,408,000</li> </ol>	
Key Decision: Yes	Funding within MTFP: Yes
Delegated Officer: Ann Workman, Director of Adults and Health	
Checks and Balances: In consultation with other appropriate officers for professional advice to include finance and procurement.	

<b>Learning Disabilities Residential Care</b>	
<ol style="list-style-type: none"> <li>1. The Council will carry out a tender process to appoint suitable care providers onto a framework agreement to allow the Council to purchase care home placements in various LD residential care homes.</li> <li>2. The new framework agreement will be in place during 2020/21.</li> <li>3. The current annual spend is circa £4,157,036</li> </ol>	
Key Decision: Yes	Funding within MTFP: Yes
Delegated Officer: Ann Workman, Director of Adults and Health	
Checks and Balances: In consultation with other appropriate officers for professional advice to include finance and procurement.	

<b>Learning Disabilities Day Opportunities</b>	
<ol style="list-style-type: none"> <li>1. The Council will carry out a tender process to appoint suitable care providers onto a framework agreement to allow the Council to purchase day opportunity placements.</li> <li>2. The new framework agreement will be in place during 2020/21.</li> <li>3. The current annual spend is circa £1,305,616</li> </ol>	
Key Decision: Yes	Funding within MTFP: Yes
Delegated Officer: Ann Workman, Director of Adults and Health	
Checks and Balances: In consultation with other appropriate officers for professional advice to include finance and procurement.	

<b>Residential Care Homes for Children and Young People</b>	
1. Darlington Borough Council (acting on behalf of the Tees Valley Councils) will carry out a tender process to appoint suitable providers onto a framework agreement allowing the Council to purchase residential care home placements for children and young people.	
2. The new framework agreement will be in place 01.04.20.	
3. The current annual spend is circa £3,750,000	
<b>Key Decision: Yes</b>	Funding within MTFP: Yes
Delegated Officer: Martin Gray, Director of Children's Services	
Checks and Balances: In consultation with other appropriate officers for professional advice to include finance and procurement.	

## Annex 2

<b>CAPITAL PROGRAMME</b>	<b>Total</b>
<b>SCHOOL CAPITAL</b>	
<b>School Investment Programme</b>	
Planned Maintenance	3,533,831
<b>SEN Investment</b>	
Ash Trees Academy	550,000
Myton Park Primary School	600,000
Northfield School	300,000
Egglescliffe School	109,000
Loose Furniture	224,542
	<b>1,783,542</b>
<b>Early Years</b>	
Barelyfields Children's Centre	280,900
Redhill Children's Centre	195,000
Early Years Capital Grant	590,264
Tilery Family Hub	473,000
	<b>1,539,164</b>
<b>Secondary Expansion Programme</b>	
Conyers Academy - New Build Hall	1,292,818
All Saints Academy - Expansion	3,180,000
Northfield School - Expansion	37,162
Our Lady & St Bedes School Expansion	5,392,499
Egglescliffe School - Sixth Form	1,020,725
Egglescliffe School - Partial Rebuild	9,379,275
	<b>20,302,479</b>
Rosebrook School	1,000
Healthy Pupils Capital Fund	127,165
Retained Future Investment Fund	13,859,579
	<b>13,987,744</b>
	<b>41,146,760</b>
<b>HOUSING REGENERATION &amp; TOWN CENTRES SCHEMES</b>	
<b>Housing Regeneration</b>	
Victoria Estate Regeneration	1,255,935
Affordable Housing	910,000
	<b>2,165,935</b>
<b>Stockton Town Centre</b>	
Stockton Town Centre - Infrastructure Projects	311,670
Townscape Heritage	2,544,934
Globe Theatre Refurbishment	25,366,688
	<b>28,223,292</b>
<b>Reshaping Town Centres</b>	
Town Centre Developments	30,000,000
	<b>30,000,000</b>

<b>Growth Fund</b>	
Feasibility	250,000
Indigenous Growth Fund	9,750,000
	10,000,000
<b>Business Growth (Incl enabling Infrastructure)</b>	
<b>Riverside Northshore Development</b>	
Demolition	15,000,000
Relocation	5,000,000
	20,000,000
<b>Other Regeneration Schemes</b>	
Estate Shops	171,275
Infrastructure Enhancements & Property Acquisition	679,036
Glam Post Office Demolition	2,500,000
	3,350,311
	<b>93,739,538</b>
<b>TRANSPORTATION</b>	
LTP - Integrated Transport	1,143,971
<b>LTP Structural Maintenance</b>	
Structural Maintenance	1,390,566
Mandale Bridge	794,000
Seal Sands Road Bridge	0
Carriageway Re-surfacing	1,794,160
	3,978,726
<b>Other transport schemes</b>	
Preston Park Additional Car Parking	158,195
TVCA A689 Wynyard Feasibility	216,323
TVCA Fuji Film	1,000,000
LGF Schemes	109,820
Developer Agreements	1,318,036
A66 Yarm Road Cycleway	140,450
Event Security	100,000
Sandgate Shops	50,000
Eaglescliffe Station Western Access	657,938
	3,750,762
	<b>8,873,459</b>
<b>OTHER SCHEMES</b>	
<b>Private Sector Housing</b>	
Disabled Adaptations	2,021,684
Regional Loan Scheme	270,380
	<b>2,292,064</b>
<b>Building Management &amp; Asset Review</b>	
Building Maintenance Programme	940,903
Stockton Town Hall Renovation	200,000
Travellers Site Maintenance	100,000
	<b>1,240,903</b>
<b>Parks, Museums &amp; Cemeteries</b>	
Parks Improvement Programme	231,674
Cemeteries	214,262
Crematorium & Gardens of Remembrance	7,789,000
	<b>8,234,936</b>

<b>Energy Efficiency Schemes</b>	
District Heating Schemes	340,000
	<b>340,000</b>
<b>Other Schemes</b>	
Ware Street Development	70,208
Independent Living LD Bid	202,000
Joint Venture Investments	493,077
Vehicle Replacement Fund	1,426,263
Leisure Facility Ingleby Barwick	13,300,000
Community Centre Support	50,000
22 Sandown Road - Refurbishment Works	230,000
	<b>15,771,548</b>
<b>Total Approved Capital MTFP</b>	<b>171,639,208</b>