

## **Report to the Cabinet**

Meeting to be held on Thursday, 5 November 2020

### **Report of the Head of Service - Procurement**

#### **Part I**

Electoral Division affected:  
(All Divisions);

### **Procurement Report**

(Appendix 'A' refers)

Contact for further information:

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#### **Executive Summary**

In line with the county council's procurement rules, this report sets out a recommendation to approve the commencement of the following procurement exercises:

- (i) Agency Staff Neutral Vendor Managed Service
- (ii) Framework Agreement for Professional and Technical Services

and to note an amendment to a previously agreed procurement procedure:

- (iii) Amendment to plant and vehicle hire report approved by Cabinet on 3 October 2019.

This is deemed to be a Key Decision and the requirements of Standing Order C19 have been complied with.

#### **Recommendation**

Cabinet is asked to approve the commencement of the procurement exercises as set out in Appendix 'A' and to note the amendment to a previously agreed procurement procedure.

#### **Background and Advice**

Appendix 'A' sets out the detail of the individual procurement exercises and the basis upon which it is proposed to carry out the processes including:

- The description of the services

- The procurement route proposed
- The estimated contract value
- The proposed basis for the evaluation of the tender submissions.

Where approval has been received from the Cabinet to undertake a tender process which is deemed to be a Key Decision, the subsequent award of the contract on the satisfactory completion of the tender exercise shall not be deemed to be a Key Decision and can be approved by the relevant head of service or director.

On conclusion of the procurement exercises, the award of the contracts will be made under the county council's scheme of delegation to heads of service and in accordance with the council's procurement rules.

In addition Cabinet is asked to note an amendment to a previously agreed procurement procedure. In October 2019, Cabinet approved the commencement of a procurement process for vehicle and plant hire. The proposed approach was to use a Dynamic Purchasing System for a period of 10 years, with a total contract value of £36.5m. Following a review, it is no longer considered that a Dynamic Purchasing System is a feasible approach.

It is therefore proposed that the approach be revised to the establishment of a Framework Agreement for a period of four years. Lancashire Renewables Ltd is making separate contractual arrangements for their long term leases of plant and as such the annual cost will decrease by approximately £1m to approximately £2.65m per year. The total value of the Framework Agreement is anticipated to be £10.6m. All other details as set out in the original report remain the unchanged and the primary user of the Framework Agreement will be the county council's Highways Service.

## **Consultations**

Relevant heads of service and key operational staff have been consulted in drawing up the proposals to undertake the procurement exercises included within this report.

## **Implications:**

This item has the following implications, as indicated:

## **Financial**

The estimated value of the contracts will be contained within the funding arrangements as set out in Appendix 'A'. If significant variations should result from this position a further report to Cabinet will be required.

The county council does not generally budget for agency staff, as all posts are budgeted for as established posts within the overall staffing budget. When agency staff are appointed it is on the basis that this can be contained within the service and/or county council financial envelope.

Commissions charged to the Capital projects will be contained within the approved budget for these schemes.

**List of Background Papers**

Paper	Date	Contact/Tel
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None		
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Reason for inclusion in Part II, if appropriate		
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