

Briefing Note

Procurement

1.0 BACKGROUND

1.1 In the last financial year, 2015/2016, the Parish Council spent approximately £7,300 on contract services. This amounts to almost 30% of precept income. The services for which we have contracts range from payroll processing to ground maintenance. At a time when the council is under pressure to ensure best value in its procurement of services for taxpayers in the parish and to enable it to maintain the precept at its current level, it is appropriate that periodically, the council should review its contracts and explore the options for alternative suppliers.

2.0 THE ISSUES

2.1 Procurement of goods and services (as opposed to simple purchasing) by the parish council is only necessary when the contract value is higher than £60,000. However, this council is committed to working in an open, transparent and accountable way, and wishes to invite applications in order to give all potential applicants the widest opportunity to tender for the work.

2.2 Publishing specifications for contracts enables all potential contractors to assess for themselves whether or not they are capable of delivering the work. Agreeing contract specifications in advance enables the council to performance manage the successful contractor in an open and accountable way.

2.3 Promoting contracts in the public domain will encourage alternative forms of service delivery to be explored. This may include sole traders; new businesses and voluntary groups. Contracts may be linked or grouped together to secure economies of scale.

3.0 TIMETABLE

3.1 Specifications for suitable contracts are currently being drawn up, and will be presented to councillors at their public meeting on 17 November 2016 for final sign off. Councillors will be asked to agree the timetable for advertising, evaluation of applications and details of selection criteria and performance targets.

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| Issue tender documents | 18 November 2016 |
| Deadline for receipt of applications | Tba |
| Evaluation of applications services | Tba |
| Presentation to councillors for assessment | 16 February 2016 |
| Notification to applicants | Tba |
| Date of commencement of contract | 1 April 2017 |
| Date of completion of contract | 31 March 2020 |

3.2 Evaluation

Bids will be evaluated in three parts. Firstly, applicants will have to demonstrate their compliance with various insurance, health & safety and statutory regulations. Unless applicants can satisfy these requirements, their bid will not be considered.

Secondly, we will examine the price that has been quoted for the work. Under Section 19 (section E) of the Parish Council's Standing Orders, it is not bound to accept the lowest value tender.

Thirdly, we will ask the applicant to provide trade or other work references to demonstrate their capability to carry out the contract. We will only ask for these references if they are successful in their application.

4.0 SOCIAL VALUE

4.1 Public authorities are now required to 'consider, prior to undertaking the procurement/commissioning process, how any services procured might improve economic, social and environmental well-being'. (Public Services (Social Value) Act 2012). This means that they should consider the additional benefit to the community that awarding a contract from a specific contractor will bring. This does not mean that a contractor has to include extra services in their bid or incur extra costs that might work against them. This process is only required when a public body is contracting for business higher than €209,000.

However, including the principles of social value in our procurement can provide real benefits to local businesses and the community in our parish.

4.2 Social value is concerned with the way that contractors manage their work and what other spin off benefits they can bring to the parish. So, for example, if the contractor had received a grant to employ an apprentice to work on the contract, this means that there was no extra cost incurred but the parish would benefit along the way because they were providing training and helping someone into the workplace.

This list gives examples of the benefits that changing your way of working could bring to the community:

- Creating opportunities to develop volunteering groups
- Creating skills and training opportunities e.g. apprenticeships
- Promoting and supporting local businesses
- Increasing community involvement in the parish
- Paying the UK Living Wage (where appropriate)
- Creating training and employment opportunities for care leavers and for people with physical or learning disabilities
- Offering work placement opportunities to school children, young adults and those long-term unemployed or NEETs
- Protecting the environment for future generations
- Reducing waste and increase waste recovery and recycling

5.0 THE OPTIONS

5.1 Councillors will be asked to agree a timetable for tendering and assessment for contracts.

5.2 Notice of termination of the existing contract will be given on 31 December 2016.

5.3 Final decision on who to award the contract to will be decided during a closed session at the public meeting on 16 February 2017.

NOTE This policy ensures that the council delivers value for money and is one of the criteria that demonstrates good governance in managing the business and finances of the council. It is assessed as part of the LCAS Quality Gold accreditation.

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Date: 7 November 2016.