

ABERDEEN CITY COUNCIL

COMMITTEE	Strategic Commissioning Committee
DATE	15 April 2021
EXEMPT	<p>Not exempt: Covering Report/Appendix 1 & 3 - Final Revenue Work Plans PUBLIC 150421/3:10 Memo Summary</p> <p>Exempt: Yes – <u>Paragraph 8</u> Appendix 2 Final Revenue Work Plans PRIVATE 150421, Business Cases</p> <p>The report refers to the amount of any expenditure proposed to be incurred by the authority under any particular contract for the acquisition of property or the supply of goods or services provided that disclosure to the public of the amount there referred to would be likely to give an advantage to a person or organisation entering, or seeking to enter, a contract with the Council.</p>
CONFIDENTIAL	No
REPORT TITLE	Workplan & Business Cases – Revenue
REPORT NUMBER	COM/21/093
DIRECTOR	Rob Polkinghorne
CHIEF OFFICER	Craig Innes
REPORT AUTHOR	Craig Innes/Mel Mackenzie
TERMS OF REFERENCE	3.1.1

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to present procurement workplans where expenditure is included for the Commissioning, Customer, Resources and Operations Functions to Committee for review and to seek approval of the total estimated expenditure for the proposed contracts as contained in the Procurement Business Cases appended to the report.

2. RECOMMENDATIONS

It is recommended that the Committee: -

- 2.1 reviews the workplans as detailed in the Appendices;
- 2.2 approves the procurement business cases, including the total estimated expenditure for the proposed contracts;
- 2.3 approves the direct awards of contract where there are special circumstances outlined in the respective procurement business cases which justify not issuing a tender or calling off from a framework agreement; and
- 2.4 notes the direct awards of contract made under the provisions for urgency as detailed within Appendix 3 – 3.10 Memo Summary.

3. BACKGROUND

- 3.1 The ACC Procurement Regulations 2021 require that authority to incur expenditure must be sought prior to any invitation to tender or contract entered into. The method of authorising depends upon the contract value, with contracts above £50,000 (supplies/services) or £250,000 (works) to be listed on a workplan with an associated Procurement Business Case and submitted by the relevant Chief Officer to the Strategic Commissioning Committee (Revenue budget only), and/or to City Growth and Resources Committee (Capital and Capital with Revenue implications). The approval of the applicable Committee is required prior to the procurement being undertaken.
- 3.2 Committee is asked to review the Commissioning, Customer, Resources and Operations Functions workplans and to approve the expenditure detailed in the Procurement Business Cases appended to the report.

4. FINANCIAL IMPLICATIONS

- 4.1 The indicative value of the proposed contracts is shown within the workplan in the Appendices. The ability to have an overview of contract expenditure is aligned to Core Outcomes of the LOIP and the whole systems commissioning cycle approach. The refreshed approach to governance ensures that all contracts are aligned to the approved budget provision for each financial year with controls in place for flexibility if required. This also assists the Council in meetings its statutory duty to keep a Contracts Register.

5. LEGAL IMPLICATIONS

- 5.1 The contracts shall be procured in accordance with procurement legislation and the Commercial Legal Team within C&PS shall provide legal advice where necessary.

6. MANAGEMENT OF RISK

Category	Risk	Low (L) Medium (M) High (H)	Mitigation
Strategic Risk	Contract expectations not being monitored/managed	M	Employees involved in Procurement Activity are required to complete online training modules in Contract Management.
Compliance	Failure to comply with internal procurement regulations and procurement legislation	L	Engagement with the Commercial Legal Team within the Commissioning Function.

Operational	Unable to control demand	M	Ongoing focus on demand reduction strategies, contract terms developed to be more flexible
Financial	Escalation of costs	L	A strong focus on value for money in all commissioning activities.
	Differing market conditions depending on commodity/service	M	Use of Business Intelligence to help predict market changes and trends.
Reputational	Insufficient information provided by officers, lack of transparency	M	A scrutiny process has been established to ensure sufficient/relevant information is provided.
Environment/Climate	Failure to consider sustainable options.	L	Ensure all contracts consider environmental considerations.

7. OUTCOMES

<u>COUNCIL DELIVERY PLAN</u>	
Impact of Report	
Aberdeen City Council Policy Statement	The ability to have an overview of contract expenditure is aligned to Core Outcomes of the LOIP and the whole systems commissioning cycle approach.
Aberdeen City Local Outcome Improvement Plan	
Stretch Outcomes (Prosperous Economy/People/Place)	Community Benefits requirements are incorporated into all ACC Procurement Activity, consideration is given to the Stretch Outcomes within the LOIP at the development phase.
Regional and City Strategies	The proposals within the business cases appended to this report support Key Regional and City Strategies, details of anticipated outcomes are contained within each the business cases.

UK and Scottish Legislative and Policy Programmes	Each of the business cases appended to the report contains details of the legislative and policy programmes to be complied with.
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8. IMPACT ASSESSMENTS

Assessment	Outcome
Impact Assessment	Not required
Data Protection Impact Assessment	Not required

9. BACKGROUND PAPERS

None.

10. APPENDICES

Public

Appendix 1 Final Revenue Work Plans Public 150421

Appendix 3 3.10 Memo Summary_Public

Private

Appendix 2 Final Revenue Work Plans Private 150421

11. REPORT AUTHOR CONTACT DETAILS

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