

17 July 2017

Agenda Item: 6

## **REPORT OF SERVICE DIRECTOR – FINANCE, PROCUREMENT & IMPROVEMENT**

### **CONTRACTS IN EXCESS OF £10 MILLION OR OTHERWISE OF MAJOR SIGNIFICANCE**

#### **Purpose of the Report**

1. To provide Members with information relating to contracts that the authority has in place that are in excess of £10 million or otherwise of major significance.
2. To provide members with information for consideration when determining the work plan of the committee.

#### **Information and Advice**

3. The Council procures goods, works and services from a variety of providers, the value of contracts procured vary, and this report focuses on those contracts that have a life time value of over £10m, or that are considered to be of major significance.
4. Major significance has been categorised as those contracts that deliver key strategic products or services with a reliance on their long term availability. Including those with strategic partnership arrangements.
5. Each contract has a contract type as defined below;

##### Framework Agreements:

A framework agreement is an 'umbrella agreement' that sets out the terms (particularly relating to price, quality and quantity) under which individual contracts (call-offs) can be made throughout the period of the agreement.

##### National Framework Agreement

Is an arrangement that has been put into place by a professional buying organisation acting on a National basis managing the procurement of common goods and services, utilising these contracts allows public sector organisations with similar needs to achieve value by buying as a single customer.

##### NCC framework Agreement

NCC agreement that has been specifically procured for the needs of the authority to call off requirements as they arise during the agreement term.

#### Standalone contract

Unlike a framework agreement a standalone contract has specific goods or service deliverables defined for the period of the agreement.

#### Dynamic Purchasing Systems (DPS)

Is similar to a framework agreement however unlike a framework agreement, suppliers can apply to join the DPS at any point during its cycle, making this a flexible approach to contracting in buoyant markets.

#### Joint venture

Is an organisation created by two or more parties, generally characterised by shared ownership, shared returns and risks.

#### Community Benefit Society

An organisation that conduct business for the benefit of their community.

#### Public Finance Initiative

Is a method of providing funds for major capital investments where private firms are contracted to complete and manage public projects.

6. The contracts are listed are shown by department.

### **Statutory and Policy Implications**

7. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

### **RECOMMENDATION/S**

- 1) Members to consider the list of contracts in determining the work plan of the committee.
- 2) Members to consider the criteria for contracts of major significance.

**Nigel Stevenson**

**Service Director – Finance, Procurement & Improvement**

**For any enquiries about this report please contact:**

Clare Winter - Group Manager, Procurement

### **Constitutional Comments (KK 06/07/2017)**

8. The proposals in this report are within the remit of the Finance & Major Contracts Management Committee

### **Financial Comments (SES 05/07/17)**

9. There are no specific financial implications arising directly from this report.

### **Background Papers and Published Documents**

10. Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

### **Electoral Division(s) and Member(s) Affected**

- All