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| Subject: | Contracts Update |
| Date: | 24 January 2025 |
| Reporting Officer: | Sharon McNicholl Deputy Chief Executive / Director of Corporate Services |
| Contact Officer: | Noleen Bohill, Head of Commercial and Procurement Services |

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| Restricted Reports | |
| Is this report restricted? | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| Please indicate the description, as listed in Schedule 6, of the exempt information by virtue of which the council has deemed this report restricted. | |
| Insert number <input type="checkbox"/> | |
| <ol style="list-style-type: none">1. Information relating to any individual2. Information likely to reveal the identity of an individual3. Information relating to the financial or business affairs of any particular person (including the council holding that information)4. Information in connection with any labour relations matter5. Information in relation to which a claim to legal professional privilege could be maintained6. Information showing that the council proposes to (a) to give a notice imposing restrictions on a person; or (b) to make an order or direction7. Information on any action in relation to the prevention, investigation or prosecution of crime | |
| If Yes, when will the report become unrestricted? | |
| After Committee Decision | <input type="checkbox"/> |
| After Council Decision | <input type="checkbox"/> |
| Sometime in the future | <input type="checkbox"/> |
| Never | <input type="checkbox"/> |

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| Call-in | |
| Is the decision eligible for Call-in? | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |

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| 1.0 | Purpose of Report or Summary of main Issues |
| | <p>The purpose of this report is to:</p> <ul style="list-style-type: none"> • Seek approval from members for tenders, contract modifications to contract term and Single Tender Actions (STA) over £30,000 <p>And to ask members to</p> <ul style="list-style-type: none"> • Note retrospective Single Tender Actions (STAs) • Note the process improvements recommended to Chief Management Team (CMT), following member feedback related to approval of retrospective STAs at SP&R December 2024. |
| 2.0 | Recommendations |
| | <p>The Committee is asked to:</p> <ul style="list-style-type: none"> • Approve the public advertisement of tenders as per Standing Order 37a detailed in Appendix 1 (Table 1) • Approve the award of STAs in line with Standing Order 55 exceptions as detailed in Appendix 1 (Table 2) • Approve the modification of the contract as per Standing Order 37a detailed in Appendix 1 (Table 3) • Note the process changes detailed in Section 6.0 Procurement Governance – retrospective STAs |
| 3.0 | Competitive Tenders |
| | <p>Section 2.5 of the Scheme of Delegation states Chief Officers have delegated authority to authorise a contract for the procurement of goods, services or works over the statutory limit of £30,000 following a tender exercise where the council has approved the invitation to tender.</p> <p>Standing Order 60(a) states any contract that exceeds the statutory amount (currently £30,000) shall be made under the Corporate Seal. Under Standing Order 51(b) the Corporate Seal can only be affixed when there is a resolution of the Council.</p> <p>Standing Order 54 states that every contract shall comply with the relevant requirements of national and European legislation.</p> <p>The Committee is asked to approve the public advertisement of tenders as per Standing Order 37a detailed in Appendix 1 (Table 1).</p> |

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| 4.0 | Single Tender Actions (STAs) |
| | <p>The Council's current Single Tender Action (STA) process, which has been in place since 2020, provides assurance that the Council continues to comply with its obligations under the Public Contracts Regulations 2015 'PCRs' and internal governance arrangements including required controls and approvals. It mirrors the PCRs setting out the exceptional and specific circumstances when a STA can be used (see STA/ Direct Award Reasons Table in Appendix 1).</p> <p>To support Officers understanding and to build capability CPS also offer STA Process training on a regular basis.</p> <p>In line with Standing Order 55 the Committee is asked to approve the award of the following STAs:</p> <ul style="list-style-type: none"> • Contract for up to £78,818, for up to 3 years, awarded to Service Level Management Ltd, for Publisure annual license. Publisure provides a secure email and consolidation platform (including test/backup server). Service Level Management Ltd are the only supplier who provide Publisure. • Contract for up to £40,000, for up to 10 months, awarded to Festival of Fools, for Belfast Maritime Festival. The 'Festival of Fools' brand has an established brand identity with exclusive rights that will complement the 'Belfast Maritime Festival' and enhance the visitor experience. • Contract for up to £63,489, for up to 1 year, awarded to Softworks Limited for provision of the Clockwise system. The replacement HR/payroll/time management system is in implementation stage and continued use of Clockwise is required. Softworks Ltd are the only supplier who provide Clockwise. • Contract for up to £197,828, for up to 2 years, awarded to Civica for the provision of a case management solution. There is no other supplier who can offer the license and support requirements for this case management solution. 2 year STA is required to ensure continuity of service whilst a comprehensive procurement exercise is conducted for a new case management solution. <p>Further details on these STAs are set out in Appendix 1 (Table 2).</p> |
| 5.0 | Modification to Contract |
| | <p>The Committee is asked to approve the following modification of the contract as per Standing Order 37a:</p> |

- Up to an additional 3 months and £40,000, awarded to Cromwell Polythene Limited for the supply and delivery of paper and plastic sacks (T2014). A 3 month extension of existing contract to help facilitate a re-tender exercise. Work is underway on the re-tender exercise with a pre-market engagement exercise started to help with specification revisions and address current supply performance issues.
- Up to an additional 4 months and £30,000, awarded to R D Mechanical Services Ltd for the supply and delivery of mechanical sweeper brushes (T1978). A contract modification is required to allow for a new tender process to be completed. Work is underway to review and update the current specification in line with departmental requirements. Note - Reporting retrospectively.
- Up to additional 2 months and £3,000 income based, awarded to USEL for the provision of catering at the Stables Café at (T1998). The evaluation of the replacement tender is underway and a 2 month contract extension is required to ensure continuity of service and sufficient time for potential handover to a new service provider (depending on the outcome of the evaluation process).

Further details on these contract modifications are set out in Appendix 1 (**Table 3**).

6.0 Procurement Governance (retrospective STAs)

The Councils' Procurement Governance Framework has been continually improved over the last 5 years since the re-constituting of the Commercial and Procurement Service team. Governance introduced is based on legislative requirements, policy requirements and best practice procurement. Our governance approach prioritises meaningful compliance over routine box checking, ensuring comprehensive oversight even under time constraints. This governance, including putting in place Single Tender Action (STA) contracts, ensures we have security of supply, agreed rates, and formal terms and conditions of contract.

In consideration of feedback given by Members at SP&R Committee on Friday 13th December 2024, CPS reviewed governance arrangements, specifically processes that could be impacted in the scenario that SP&R reject or query an item submitted for approval in the monthly Contracts Report and recommended the following process improvements to CMT.

Competitive Tenders

When Members request additional information or options on procurement activity, Chief Officers will respond promptly. Responses will include the existing provisions end date and outline any interim requirements, such as a STA contract, to ensure continuity of service as well as compliance with Delegated Authority.

STAs / Retrospective STAs

In line with Standing Orders – 56. Exceptions, Chief Officers have been reminded of the need to comply with the Councils' STA process and that a retrospective STA contract must not be entered into without approval from the Chair of SP&R ahead of the upcoming committee meeting.

Going forward, for requests involving retrospective STAs, CPS will submit two separate requests:

- One addressing the retrospective period
- Another seeking approval for the upcoming contract period

For example, if a STA is requested for a 6 month period, of which 2 months will already have passed prior to Members receiving the request, CPS will submit 2 separate requests, one to note the retrospective aspect and a separate STA seeking approval for the upcoming period.

Pipeline planning

To evaluate whether service needs could be met through enhanced in-house capacity versus external contracts, Chief Officers will:

- Identify upcoming relevant contracts using the Monthly RAG Report or the Tender Pipeline.
- Seek timely SP&R approval for relevant contracts to allow for Member queries.

Pest Control Services (SP&R Meeting Friday 13th December)

A separate paper is being brought to Committee today with respect to the future provision of pest control services.

To clarify the arrangement brought to the Committee on 13th December, i.e. on-going provision with a pest control supplier for a further six months; the amount stated in the report relates to a maximum possible spend which can be terminated at any stage. Should service not be required whether as a result of a service delivery decision or by Committee direction, spend would not be incurred.

7.0 STA and Contracts <£30k Reporting

At SP&R in October 23 the Committee agreed that 'the quarterly finance report should, in future, include information on expenditure on Single Tender Actions and on the number and value of contracts under £30,000'.

Information on expenditure broken down by individual STA contract records is not readily available from the Council's current financial system.

However, CPS centrally record the number and maximum total value of STA contract records. Quarter 3 2024/25 is provided below:

STAs awarded FY 24/25 Qtr 3

| Number of STA contracts | Total value of STA contracts |
|-------------------------|------------------------------|
| 29 | £482,132 |

Records for contracts (including title; supplier name; value; duration etc) valued below £30,000 are not centrally held by CPS and are maintained on departmental registers. Below is a quarterly return by all departments on contracts awarded valued below £30,000 during FY 24/25 Qtr 3.

Contracts <£30k awarded FY 24/25 Qtr 3

| Number of <£30k contracts | Total value of <£30k contracts |
|---------------------------|--------------------------------|
| 30 | £534,612.60 |
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| 8.0 | Financial & Resource Implications |
| | The financial resources for these contracts are within approved corporate or departmental budgets |
| 9.0 | Equality or Good Relations Implications / Rural Needs Assessment |
| | None |
| 10.0 | Appendices – Documents Attached |
| | <p>Appendix 1</p> <ul style="list-style-type: none"> • Table 1 - Competitive Tenders • Table 2 – Single Tender Actions • Table 3 – Modification to Contract |