

Status of Report: Public

Meeting: Corporate Governance Committee

Date: 12 July 2023

Subject: Procurement Annual Report

Report by: Callum Faint, Chief Fire and Rescue Officer

Author: Mick Rogers, Area Manager Business Support

For: Information

Purpose

1. The purpose of the report is to inform the Corporate Governance Committee of procurement related activity and compliance for the financial year 2022/23.

Recommendation

2. The Committee is asked to note the summary of procurement activity in 2022/23, as required by Rule 19.2 of the Contracts Procedure Rules 2018.

Executive Summary

3. The Combined Fire Authority (CFA) agreed an updated set of Contract Procedure Rules in December 2018, this included a requirement at Rule 19.2 for the Corporate Governance Committee to receive an annual report on the following procurement activity:
 - i. EU Contract Procurement over the preceding 12 months.
 - ii. Compliance with these rules, including a summary of waivers.
 - iii. Any changes to these rules.

Background

4. Leicester City Council, led by its Head of Procurement, continued to provide strategic oversight and support at an additional charge to the CFA.
5. Significant procurement activities for this reporting period are:
 - i. Replacement Fire Appliances and fleet vehicles purchased through several frameworks, totalling £654,535 and the final stage costs for the replacement High Reach appliance at £649,087.
 - ii. Major refurbishment of Western Fire Station for 2022/23 reporting period, totalling £690,693.

- iii. A two-year extension of the Securitas contract to provide resilience for operational crews totalling £332,235.00. This extension brings an end to the original contract period of 5 years in May 2025.
6. There have been no Procurement Policy Notices issued since the last reporting period (July 2022).
 7. No breaches of the Contracts Procedure Rules have been identified and there has been no legal action taken against the CFA because of procurement activities.
 8. One complaint was received by the Monitoring Officer regarding procurement of building services involving years 2020 to 2023. This was investigated and the processes undertaken by the Estates team found to be compliant with procurement rules. The complaint was a wide-ranging issue involving several public bodies.
 9. A Voluntary Ex-Ante Transparency Notice (VEAT) was issued on the 31 March 2023 (2022/23 financial year) for the Motorola replacement mobilisation contract which will replace the current SYSTEL mobilising system (an automated system that dispatches fire engines to incidents). A VEAT notice is a form of waiver and is detailed in the table below and was for a total value of £4.5m.

Waivers

10. The Contract Procedure Rules require a summary of waivers to be presented. The table below shows an analysis of the waivers during the financial year 2022/23 and is shown by department.

Reason For Waiver	Supplier	Qnt	Value	Department
To ensure ongoing service provision: Current supplier experienced financial difficulty.	Motorola	1	£4,500,000	Service (VEAT)
Interim Contract to determine future needs.	6 Stages Ltd	1	£23,167	HR
Limited Supply in UK	Jaam Automation Ltd	1	£12,448	ICT
Emergency not caused by the CFA	Ampron	1	£200,797	Estates (Air handling units HQ).

Report Implications/Impact

11. Legal (including crime and disorder)
 - I. The Contract Procedure Rules form part of the Constitution of the CFA, therefore, this report satisfies the Constitution requirements in relation to reporting and procurement procedures.

- II. Each procurement process will need to follow due process in accordance with internal and legislative requirements.

12. Financial (including value for money, benefits and efficiencies)

Contracting activity on the procurement plan is a statement of intent and is subject to the necessary funding being available. The plan provides a strategic approach to achieving value for money through major procurement activities.

13. Risk (including corporate and operational, health and safety and any impact on the continuity of service delivery)

Ineffective procurement can lead to an inability to achieve value for money, efficiency, and effectiveness, is open to fraud and loss of reputation.

14. Staff, Service Users and Stakeholders (including the Equality Impact Assessment)

Procurement is used to drive wider social value, i.e. to bring about improvements in economic, social, and environmental wellbeing.

15. Environmental

There are no environmental implications arising from this report.

16. Impact upon Our Plan Objective

An effective procurement contributes to the Finance and Resources Strategy of achieving value for money and increased efficiency and effectiveness.

Background Papers

Annual expenditure reports:

<https://leics-fire.gov.uk/your-fire-service/what-we-spend/procurement-and-contracts/>

Appendices

VEAT Notice: Mobilisation Replacement Award (Direct Award).

Officers to Contact

Callum Faint.

Chief Fire and Rescue Officer.

Callum.faint@leics-fire.gov.uk

07581188884

Mick Rogers
Area Manager Business Support
Michael.rogers@leics-fire.gov.uk
07800 709845