

SHEFFIELD CITY COUNCIL

EXECUTIVE DIRECTOR KEY DECISION RECORD

The following decision was taken on 03 December 2020 by the Executive Director, Place.

Date notified to all members: Thursday 3 December 2020

The end of the call-in period is 4:00 pm on Wednesday 9 December 2020

Unless called-in, the decision can be implemented from Thursday 10 December 2020

1. **TITLE**

Procurement of a Hand Tools, Small Plant and Power Tools and Grounds Maintenance Equipment Supply Contract

2. **DECISION TAKEN**

That the Executive Director of Place:

1. approves the tendering of the Tools supply contract via a new Council framework following a tender exercise as outlined in this report; and
2. delegates authority to the Director of City Growth, in consultation with the Director of Finance and Commercial Services and the Director of Legal and Governance to:
 - (a) decide the award of the new contracts to the successful suppliers chosen by the Council following the procurement; and
 - (b) take all other decisions necessary in order to meet the aims, objectives and outcomes of this report which are not already covered by existing delegations in the Leaders Scheme of Delegation.

3. **Reasons For Decision**

The procurement using a full open OJEU process will enable the Council to:

- Have a compliant mechanism in place to meet all the services requirements.
- Harness any immediate savings and economies of scale that can be realised by re-engaging the market, any savings realised that can be cashable in nature will contribute to the services' savings targets.
- Realise the Councils Social Value ambitions by driving further value added impact through this supply chain.

4. **Alternatives Considered And Rejected**

Alternative Option 1 – Do not Procure.

If the Council did not carry out this procurement a number of Council departments would continue to procure tools in an ad hoc and fragmented manner – which aggregated would be non-compliant with the Councils Standing Orders and Public Contracts Regulations.

We are bound by the Council Governance and Public Contracts Regulations to conduct a procurement where the level of financial spend indicates this, alternatives around the route to market have been options appraised, considered and benchmarked and fully documented in the Procurement Strategy.

Alternative Option 2 – Extend the contracts with the current suppliers.

There is no wider current formal supply arrangement in place that could be extended. The data suggests spend is across many suppliers and cross departmental with few single clients having spent annually at a level which would indicate a formal arrangement was required. In aggregation however this changes and does in fact indicate a wider Council supply Framework is now required.

Alternative Option 3 – Procure using an existing OJEU compliant framework.

The existing Framework providers are not for profit procurement consortium established to serve the construction procurement needs of the social housing landlord community, understanding the needs of the maintenance clients.

The Frameworks are compliant with the Procurement Regulations and Directives (OJEU). This means as potential Clients we would not have to openly advertise the opportunity or follow the full procedural rules. This is a more time and cost-efficient process than running a “full” procurement exercise for the Authority. This also ensures we procure to the current specifications and standards set by the client in addition to access to competitive pricing by taking advantage of the economies of scale these Frameworks provide.

Sheffield however is rich in suppliers of all types of tools and in some cases we have tools that are manufactured here, using a pre-existing Framework would not allow us to tap into this local market but a full Open OJEU would.

5. Any Interest Declared or Dispensation Granted

None

6. Respective Director Responsible for Implementation

Director of Transport and Facilities Management

7. Relevant Scrutiny Committee If Decision Called In

Safer and Stronger Communities Scrutiny Committee