

PROCUREMENT SUB (FINANCE) COMMITTEE

Monday, 2 December 2019

Minutes of the meeting of the Procurement Sub (Finance) Committee held at the Guildhall EC2 at 1.45 pm

Present

Members:

Deputy Hugh Morris (Chairman)	Deputy Jamie Ingham Clark
Deputy Robert Merrett (Deputy Chairman)	Susan Pearson
Michael Hudson	

Officers:

Chris Bell	Chamberlain's Department
Natalie Evans	Chamberlain's Department
Matthew Jones	Chamberlain's Department
Greg Knight	Chamberlain's Department
Michael Harrington	Chamberlain's Department
Darran Reid	Chamberlain's Department
Sean Green	Chamberlain's Department
Zahur Khan	Transportation & Public Realm Department
Antoinette Duhaney	Town Clerk's Department

1. APOLOGIES

Apologies for absence were received from Randall Anderson, John Fletcher, Alderman Gregory Jones QC and Jeremy Mayhew.

2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA

No declarations were made.

3. PUBLIC MINUTES OF THE PREVIOUS MEETING RESOLVED

That the public minutes of the meeting held on 29.10.19 be approved.

4. PROCUREMENT SUB-COMMITTEE WORK PROGRAMME

The Sub-Committee considered a report of the Chamberlain setting out the forward programme of agenda items up to April 2020.

Officers advised that as the next scheduled meeting of the Sub-Committee was scheduled for 6th January 2020, this meeting should be cancelled as there was a short lead in time before the Christmas break and there was no pressing business that could not be deferred to a later meeting.

RESOLVED

1. That the meeting scheduled for 6th January 2020 be cancelled.
2. That the report be noted.
5. **BREXIT UPDATE: PROCUREMENT AND SUPPLY CHAIN (ORAL REPORT)**
Officers advised that there was nothing further to add subsequent to the update provided at the meeting on 24.09.19.
6. **FINANCIAL APPRAISALS FOR PROCUREMENT**
The Sub-Committee considered a report of the Chamberlain setting out proposed new arrangements for financial assessments for bidders for low risk contracts.

Officers reported that under the current arrangements, many suppliers were excluded from bidding and the use of Credit Reference Agencies for low risk contracts would generate efficiencies and this action had been put forward as a Fundamental Review proposal.

RESOLVED

1. That the report be noted.
2. That the Resource Allocation Sub Committee's informal support of the Chamberlain's Fundamental Review recommendation for the use of a credit agency to provide financial checks for suppliers rather than in house- appraisal; and to receive a verbal update on whether the proposal has been ratified by Policy and Resources Committee be noted.
7. **CITY PROCUREMENT RISK MANAGEMENT - QUARTERLY REPORT**
The Sub-Committee considered a report of the Chamberlain providing an overview of Risk Management within the City Procurement Team.

Officers reported that work was ongoing to address the amber rated risks.

RESOLVED

That the actions taken to by the City Procurement Team to monitor and manage risk be noted.

8. **PROCUREMENT OF VEHICLES**
The Sub-Committee considered a report of the Chamberlain setting out proposals to remove vehicle procurement from the Gateway Process.

Officers advised that the recommendations in the report were subject to formal agreement of the Projects Sub-Committee.

RESOLVED

That subject to formal approval of recommendation 1 of the officer report by the Projects Sub-Committee:

1. Authority is delegated authority to the Transport Co-ordination Group (officer board) to approve the procurement of vehicles up to £250,000.
2. Authority be delegated to the Strategic Resources Group (officer board chaired by the Chamberlain) to approve the procurement of vehicles in the range of £250,000 - £2,000,000.
3. That for the procurement of vehicles to the cost of £2,000,000 or above, formal approval by the Procurement Sub Committee is required.

9. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**

There were no public questions.

10. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

There was no urgent business.

11. **EXCLUSION OF THE PUBLIC**

RESOLVED - That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of Schedule 12A of the Local Government Act.

12. **NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**

RESOLVED – That the non-public minutes of the meeting held on 29.10.19 be approved.

13. **POWER PURCHASE AGREEMENT (PPA) FOR OFFSITE RENEWABLE ELECTRICITY - PROCUREMENT STAGE 1A MID TENDER UPDATE**

The Sub-Committee considered a report of the Chamberlain updating Members on the procurement process for appointing a preferred supplier for a Power Purchase Agreement for offsite renewable energy.

14. **IT CONTRACT RENEWALS**

The Sub Committee considered a report of the Chamberlain providing an overview of IT contracts expiring before 31 December 2020.

15. **CONTRACT DISPUTE UPDATE (ORAL REPORT)**

The Sub Committee received an oral update on the Contract Dispute resolution actions.

16. **ROUGH SLEEPING OUTREACH SERVICE PROCUREMENT STAGE 1 STRATEGY**
The Sub Committee considered a report of the Chamberlain outlining a Procurement Strategy and Evaluation Criteria for selecting a preferred supplier for Rough Sleeping Outreach Support.
17. **ARCHITECT CONSULTANTS (FOR CONSTRUCTION) FRAMEWORK PROCUREMENT STAGE 1 STRATEGY**
The Sub Committee considered a report of the Chamberlain outlining the proposed procurement strategy and evaluation approach to be used in the selection of the preferred supplier(s) for the Architectural Consultant (in construction) Framework.
18. **COMMERCIAL CONTRACT MANAGEMENT - CORPORATE SUPPLIER SCORECARD RESULTS**
The Sub Committee considered a report of the Chamberlain updating Members on the scorecard measures key suppliers' performance against a range of corporate policies, contract KPIs and terms and conditions.
19. **TRANSPORTATION AND PUBLIC REALM CONSULTANCY FRAMEWORK**
The Sub Committee considered a report of the Chamberlain outlining proposals to adopt a framework contract for procuring external consultancy services in the Transportation and Public Realm Division within the Department of the Built Environment.
20. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**
There was one non-public question.
21. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE SUB-COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**
There was one item of urgent business.
22. **CONFIDENTIAL MINUTES**
RESOLVED – That the confidential minutes of the meeting held on 29.10.19 be approved.

The meeting closed at 2.35 pm