

16th December 2019

Executive Member for Finance & Performance

Report of Assistant Director, Customer & Digital Services

Approval of York Financial Assistance Scheme (YFAS) furniture & white goods contract with a whole life contract value of over £250k

Summary

- 1) This report presents the proposal to tender the York Financial Assistance Scheme (YFAS) furniture & white goods contract. This has been defined as a routine procurement as per the council's contract procedure rules and expenditure will fall within existing revenue budget provision. The decision-making route however is through the Executive member given the level of expenditure and required transparency around such procurements.

Recommendations

- 2) The Executive Member is asked to approve the tendering of the YFAS furniture & white goods contract as set out in Annex A

Reason: To ensure that councillors approve routine procurement decisions over £250k in value in line with procurement regulations and the public have the opportunity to see transparent decision-making in operation relating to major procurements.

Background

3) The contract procedure rules state:

7.7 Where the aggregate contract value (including any extension) is between £250,000 and less than £500,000 then the decision to enter the contract requires the approval of an Executive Member or the Executive unless the procurement is treated as Routine as defined in clause 7.9.

7.8 Where the aggregate contract value (including any extension) is £500,000 or more the decision will be regarded as a Key Decision unless the Chief Finance Officer acting in consultation with the Monitoring Officer has approved the procurement as Routine.

7.9 A Routine procurement is any arrangement that represents a low commercial and legal risk to the Council and relates to procurement of goods, services or works with a clearly defined specification and that clearly relate to the routine day to day operation of the Council. Routine procurements will be limited to items such as utilities, insurance or stationery. Where Officers consider a procurement process may be Routine, they are required to liaise with Commercial Procurement who will advise on the relevant paperwork to be submitted to the Chief Finance Officer. Authorisation to treat a procurement as Routine must be sought before the procurement process commences. A Director may enter a Contract where the procurement has been treated as Routine. An updated register of routine procurement must be presented regularly to the Executive Member for Finance and Performance.

4) It has been agreed for transparency that that whilst the procurement in Annex A has been agreed as routine by the Monitoring Officer and the Acting Section 151 Officer (Chief Finance Officer), and approved by the relevant Chief Officer each decision will be approved by the Executive Member for Finance and Performance rather than presented in a register.

5) Whilst in some cases the procurement route will be indicated in the annex, as a general rule the most appropriate procurement route will be used in line with professional procurement advice, as determined at the time the council is ready to issue the related specification.

Consultations

6) The effectiveness of the existing provision has been part of customer consultation and also discussion at both Financial Inclusion Steering Group (FISG) and with the council's third sector welfare providers. The current scheme has also been audited to ensure there is little vulnerability to fraud as had been the case with earlier cash based schemes.

Options/Analysis

- 7) Any options and analysis will be contained within the annexes.

Council Plan

- 8) Outcomes achieved by this contract support the Council Plan 2019 -23 priority of safer communities and culture for all in ensuring that residents can their families can continue to live within their communities.

Implications

- 9)
- a. **Financial:** There is an existing and ongoing budget for the YFAS scheme to support our residents.
 - b. **Human Resources (HR):** None
 - c. **Equalities:** None
 - d. **Legal:** None
 - e. **Crime and Disorder:** None
 - f. **Information Technology (ICT):** None
 - g. **Property:** None
 - h. **Other:** No known implications

Risk Management

- 10) There are no specific risks in relation to this report however the YFAS scheme helps to support residents to live within our communities which in turn reduces the effect of poverty and the demand on council services.

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Report Approved

Date 5/12/19

Specialist Implications Officer(s)

Financial: Debbie Mitchell, Corporate Finance & Commercial Procurement Manager
Legal: Suzan Harrington, Interim Assistant Director Legal & Governance

Wards Affected: *List wards or tick box to indicate all*

All

Background Papers:

None

List of abbreviations used in this report:

YFAS York Financial Assistance Scheme
FISG Financial Inclusion Steering Group

Annexes

Annex A - YFSA Furniture & White Goods Contract