

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

meeting date: 13 FEBRUARY 2024
 title: UK SHARED PROSPERITY FUND AND RURAL PROSPERITY FUND –
 NON CONTRACTING AUTHORITIES' PROCUREMENT THRESHOLDS
 submitted by: DIRECTOR OF ECONOMIC DEVELOPMENT AND PLANNING
 principal author: NICOLA HOPKINS – DIRECTOR OF ECONOMIC DEVELOPMENT AND
 PLANNING

1 PURPOSE

1.1 To seek Committee approval to confirm the procurement thresholds relating to non-contracting authorities awarded a grant through either the UK Shared Prosperity Fund (UKSPF) or the Rural Prosperity Fund (REPF).

1.2 Relevance to the Council's ambitions and priorities:

- Community Ambitions-
 - To sustain a strong and prosperous Ribble Valley
 - To help make people's lives safer and healthier
- Corporate Objectives –
 - To work with our partners to ensure that the infrastructure in the Ribble Valley is improved
 - To promote stronger, more confident, and more active communities throughout the borough

2 BACKGROUND

2.1 The guidance on procurement issued by the Government as part of the UKSPF <https://www.gov.uk/guidance/uk-shared-prosperity-fund-procurement-8> includes the following statement:

8.5 Where non-contracting authorities are involved in UKSPF project delivery, they should adopt such policies and procedures that are required in order to ensure that value for money has been obtained in the procurement of goods or services funded by the Grant. This should include adopting the following minimum procedures unless different thresholds have been approved internally via the LLAs appropriate internal governance process, such as Cabinet:

Value of contract	Minimum procedure
£0 - £2,499	Direct award
£2,500 - £24,999	3 written quotes or prices sought from relevant suppliers of goods, works and / or services
Over £25,000	Formal tender process

3 CONTRACTING/NON-CONTRACTING AUTHORTIES

- 3.1 Under Public Procurement law, public authorities and bodies governed by public law are classed as Contracting Authorities. Other organisations would fall to be considered Non-Contracting Authorities for both UKSPF and REPF.
- 3.2 Following the decision of this Committee on 7th November 2023 and 23rd January 2024 grant agreements are being prepared for the projects being supported by UKSPF. The provision of a grant to both Whalley Educational Foundation and Roefield Leisure will involve non-contracting authorities in the delivery of UKSPF schemes. The current procurement thresholds for non-contracting authorities, as set out above, are stricter than the Council's thresholds.
- 3.3 Council officers have been working on the basis that to ensure consistency with the Council's own Contract Procedure Rules and, importantly, the schemes approved are delivered within the tight timescale of the UKSPF requirements, we would use the same thresholds set out in our own Contract Procedure Rules
- 3.4 Whilst agreed at officer level this now needs to be formally approved by members. Committee are therefore asked to approve the thresholds set out in Annex 1.
- 3.5 If approved the attached guidance will be uploaded to our website.

4 RISK ASSESSMENT

4.1 The approval of this report may have the following implications:

- Resources – N/A
- Technical, Environmental and Legal – Legal services have been consulted and their comments are incorporated into the body of the report.
- Political - N/A
- Reputation- N/A
- Equality and Diversity – Committee has chosen to spend the majority of the UKSPF on the communities and place priority by enhancing community facilities and ensuring access for all. It is considered that the projects identified above meet our Public Sector Equality duties.

5 RECOMMENDED THAT COMMITTEE

- 5.1 Approve the procurement thresholds for non-contracting authorities involved in delivering projects either through UKPSF or REPF as set out in Annex 1.

NICOLA HOPKINS
DIRECTOR OF ECONOMIC DEVELOPMENT AND PLANNING

The Fund's procurement route applies to any organisation that is not a Contracting Authority under the Public Procurement Regulations.

Procurement Contract Thresholds UKSPF and REPF Procurement Route for Private Organisations			
Threshold	Estimated Contract Value	Requirements / Procedure	Audit Requirements (Evidence)
Below £10,000	< £10,000	May be made without written competitive quotations as long as the Contract is not part of a larger Contract. However, it must still be ensured that the best price is secured and value for money is maintained, and as such it may be desirable to obtain quotes in order to gain that assurance.	<ul style="list-style-type: none"> •Copies of emails issued to all suppliers •Price comparisons/considerations
£10,001 - £100,000	£10,001 - £100,000	At least 3 written quotations must be obtained. It is advised that a greater number of quotes may need to be sought in order to ensure that three as a minimum are returned.	<ul style="list-style-type: none"> •Copies of emails issued to all suppliers •Price comparisons/considerations •Evidence of evaluation undertaken •Evidence of notification to successful and unsuccessful suppliers •Evidence of Contract issued
£100,001 +	£100,001 +	Must be subject to competitive tender	<p>Either evidence of:</p> <p>(1)at least 21 days' public notice has been given, stating the nature and purpose of the Contract, inviting tenders, providing web links to electronic versions of all contract documents and stating the last date when tenders will be received, on:</p> <ul style="list-style-type: none"> •the organisations website and optionally a local newspaper and/ or appropriate trade journals •the Government's webpage 'Contracts Finder'. In the case of those contracts with an estimated value in excess of the Public Contracts Regulations threshold, the opportunity must also be published on the Government's 'Find a Tender' webpage.

The Fund's procurement route applies to any organisation that is not a Contracting Authority under the Public Procurement Regulations.

			<p>Or</p> <p>(2) Use of a suitable Procurement Framework to procure the contract</p>
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- **If unable to source the required number of quotations, you must keep supporting evidence and a record of the suitably justified reasons why you were unable to source the potential suppliers/ providers.**
- **If only one provider/ supplier available or feasible (for example unique, specialised/ customised equipment or services, only available from one company) you must keep records and evidence to explain and justify the reasons for concluding that there are no alternative providers for the desired product or specification and that competition is absent (this will be tested in subsequent audits).**

Useful points:

- Minimum 21 days advertisement required for all opportunities advertised via electronic tender portals. Other means, timescale for response to be reasonable commensurate with works required.
- No standstill period required to be adhered to.
- Variations to contract must be in relation to the contract, such as unforeseen works. Records of all variations must be kept and duly authorised. As a guide, each variation to not exceed 15% of contract value.
- Retain all evidence documentation as noted in table above for future audit and record keeping requirements.