


**NORTH LINCOLNSHIRE COUNCIL  
OFFICER DECISION NOTICE AND RECORD  
(PUBLISHED)**

<b>1. DECISION TAKEN</b>			
Supplier relief: To allow for decisions to be taken during the period of the 1 <sup>st</sup> April 2020 until the 30 <sup>th</sup> June 2020 on payment of suppliers to support service continuity during and after the current COVID-19 outbreak.			
<b>EXECUTIVE</b>		<b>NON-EXECUTIVE</b>	✓
(Please tick either)			
<b>IS THIS A 'KEY DECISION' ? (see definition overleaf)</b>			Yes
<b>DOES THIS DECISION RELATE TO EXEMPT INFORMATION?</b>			N/A ✓
<b>EXEMPT PARAGRAPH REFERENCE (NOT TO BE PUBLISHED)</b>			Yes
			No ✓

<b>2. OFFICER DECISION TAKER</b>	<p><b>NAME</b>                    <b>Becky McIntyre</b></p> <p><b>POSITION/POST</b>    <b>Director of Governance and Partnerships</b></p> <p style="text-align: center;"></p> <p><b>SIGNATURE</b></p> <p><b>DATE</b>                    <b>8 April 2020</b></p>
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<b>3. REASONS FOR THE DECISION (Please ref to any report/minute/background documents attached)</b>	<p>The current outbreak of COVID-19 is unprecedented and may have a significant impact on businesses of all sizes. Some suppliers to public bodies may struggle to meet their contractual obligations and this may put their financial viability, ability to retain staff and their supply chains at risk.</p> <p>North Lincolnshire Council is committed to continuing to work closely with our suppliers to deliver the best outcomes for our residents. We can act now, guided by the Cabinet Office Procurement Policy note PPN 02/20 and associated guidance, to support suppliers at risk so they are better able to cope with the current crises and to resume normal service delivery and fulfil their contractual obligations when the outbreak is over.</p> <p>The guidance state that suppliers in receipt of public funds on this basis during this period must agree to operate on an 'open book' basis. North Lincolnshire Council will be working collaboratively with suppliers to ensure there is transparency during this period as we continue to work to achieve the best outcomes for our residents.</p>
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<b>4. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED (BY DECISION TAKER(S))</b>	<p>The alternative option would be to do nothing which would be against the government's guidance and could undermine the local economy and supply chain.</p>
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*TO BE COMPLETED BELOW - ONLY WHEN A DELEGATED OFFICER DECISION REQUIRES PRIOR CONSULTATION WITH A MEMBER (LEADER OF THE COUNCIL, CABINET MEMBER/CHAIRMAN OF A COMMITTEE) IN ACCORDANCE WITH THE 'SCHEME OF DELEGATIONS TO OFFICERS' OR DECISION/MINUTE OF COUNCIL/COMMITTEE OR DECISION/MINUTE OF CABINET/CABINET MEMBER.*

<b>5. DECISION REQUIRED TO BE TAKEN IN CONSULTATION WITH RELEVANT MEMBER</b>	<p>Update to Cabinet Members 9 April 2020</p>
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<p>6. ANY CONFLICT OF INTEREST DECLARED BY ANY EXECUTIVE (CABINET) MEMBER (S) CONSULTED, WHICH RELATES TO THE DECISION, OR (NON-EXECUTIVE) – ANY MEMBER OF THE COMMITTEE THAT DELEGATED THE DECISION TAKEN</p>	
<p>7. WITH REFERENCE TO 6. ABOVE - HAS ANY DISPENSATION BEEN GRANTED TO THE EXECUTIVE (CABINET) MEMBER? (ONLY APPLIES TO EXECUTIVE)</p>	

**PLEASE REMEMBER TO ATTACH ANY ACCOMPANYING REPORT.**

**WHEN COMPLETE, PLEASE SEND TO HEAD OF DEMOCRATIC SERVICES, CIVIC CENTRE, SCUNTHORPE FOR PUBLISHING.**

**(The definitions of a key decision are when an executive decision is likely -**

(i) to result in the Council incurring expenditure or the making of savings (including the receipt or loss of income) over £350,000 in any one financial year; or

(ii) to be significant in terms of its effect on communities living or working in an area comprising two or more wards or electoral divisions in the area of the local authority).

## NORTH LINCOLNSHIRE COUNCIL

Director of Governance and Partnerships

## SUPPLIER RELIEF DUE TO COVID-19

**1. OBJECT AND KEY POINTS IN THIS REPORT**

- 1.1 In response to the current COVID-19 outbreak, the Cabinet Office has issued a Procurement Policy Action note PPN 02/20 and associated guidance which set out information and guidance on payment of suppliers to ensure service continuity during and after the current crisis.
- 1.2 The purpose of this report is to seek approval for decisions to be made to respond to this guidance to support employment, the local economy and supply chain and to continue to deliver the best outcomes for our residents.

**2. BACKGROUND INFORMATION**

- 2.1 The current outbreak of COVID-19 is unprecedented and may have a significant impact on businesses of all sizes. Some of our suppliers may struggle to meet their contractual obligations and this may put their financial viability, ability to retain staff and their supply chains at risk.
- 2.2 The Cabinet Office has issued Procurement Policy Note 02/20 Supplier Relief with guidance on how authorities can support suppliers at risk so they are better able to cope with the current crises and to resume normal service delivery and fulfil their contractual obligations when the outbreak is over.

**3. OPTIONS FOR CONSIDERATION**

- 3.1 Option 1: To allow for decisions to be taken on payment of suppliers guided by Cabinet Office advice and based on a review of contracts on a case-by-case basis. This review will identify the most appropriate support measures to ensure suppliers at risk are in a position to resume normal contract delivery once the outbreak is over. To qualify, suppliers should agree to act on an open book basis, continuing to pay employees and flow funding to their subcontractors.

Support measures will be monitored with any additional financial resource costs being subject to authorisation in line with CPRs. Suppliers will be encouraged to develop alternative service delivery options and innovative solutions in response to evolving needs.

- 3.2 Option 2: Continue to pay suppliers in line with existing contractual arrangements.

#### 4. ANALYSIS OF OPTIONS

4.1 Option 1: The advantage of this option is the reduction in risk of disruption to normal contract delivery once the outbreak is over, employment support and supply chain cash flow in the local economy and the potential for collaborative and innovative alternative service delivery to support the most vulnerable during the current outbreak.

4.2 Option 2: potential adverse impact during and following the current outbreak and against the government's guidance.

#### 5. FINANCIAL AND OTHER RESOURCE IMPLICATIONS (e.g. LEGAL, HR, PROPERTY, IT, COMMUNICATIONS etc.)

5.1 Commissioning and Procurement, Legal, Finance Business Partnering and Internal Audit teams will be providing some additional resource to support the recommendation through guidance for contract managers in applying and interpreting the Cabinet Office guidance and in communicating and negotiating with suppliers.

#### 6. OTHER RELEVANT IMPLICATIONS (e.g. CRIME AND DISORDER, EQUALITIES, COUNCIL PLAN, ENVIRONMENTAL, RISK etc.)

6.1 The proposed action supports the council's priorities as set out in the council plan and is consistent with national efforts to sustain employment, suppliers and supply chains.

#### 7. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)

7.1 None

8. **OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED**

8.1 None

9. **RECOMMENDATIONS**

9.1 To approve Option 1: To allow for decisions to be taken on payment of suppliers based on a review of contracts to ensure service continuity, protect infrastructure, supply chains and jobs – operating on a case by case basis.

DIRECTOR OF GOVERNANCE AND PARTNERSHIPS

Church Square House  
SCUNTHORPE  
North Lincolnshire

Author: Nina Torr  
Date: 08 April 2020

**Background Papers used in the preparation of this report:**

**Cabinet Office Procurement Policy Note – Supplier relief due to COVID-19**

**Action Note PPN 02/20 March 2020 and associated guidance**

<https://www.gov.uk/government/publications/procurement-policy-note-0220-supplier-relief-due-to-covid-19>

**Fraud Control guidance:** <https://www.gov.uk/government/publications/fraud-control-in-emergency-management-covid-19-uk-government-guide>