

Croydon Council

REPORT TO:	GENERAL PURPOSES & AUDIT COMMITTEE 29 June 2016
AGENDA ITEM:	13
SUBJECT:	Exceptions to the Tenders and Contracts Regulations
LEAD OFFICER:	Sarah Ireland, Director of Strategy Communities and Commissioning
CABINET MEMBER:	Councillor Simon Hall Cabinet Member for Finance and Treasury
WARDS:	All
CORPORATE PRIORITY/POLICY CONTEXT: Effective outcome based commissioning and procurement contributes to all corporate priorities.	
AMBITIOUS FOR CROYDON & WHY ARE WE DOING THIS: The Council's commissioning strategy sets out the approach to commissioning and procurement and puts delivery of outcomes at the heart of the decision making process. As the Council develops more diverse service delivery models, it is important to ensure that our processes can be aligned to our corporate priorities and represent value for money for citizens and taxpayers and, contribute to the growth agenda for Croydon. The decisions included in this report all contribute to achieving our strategic aims and meeting the needs of the people of Croydon.	
FINANCIAL SUMMARY: There are no direct costs arising from this report.	

1. RECOMMENDATION

- 1.1 The Committee is asked to note exceptions to the Tenders and Contracts Regulations granted by the Director of Strategy, Communities and Commissioning since last reported to this Committee.

2. EXECUTIVE SUMMARY

- 2.1 This is a standard report presented to General Purposes & Audit Committee (GPAC) notifying them of exceptions granted by the Tenders and Contracts Regulations by the Director of Strategy, Communities and Commissioning.

- 2.2 An update to the Tenders and Contracts Regulations was agreed at the Council Meeting on 23 May 2016. This update will change the way in which exceptions (now referred to as waivers) are reported in the future. In order to support a more transparent and accountable decision making process, waivers will now be reported to Cabinet at the point of award (as a part of the regular Investing In Our Borough report).
- 2.3 As such this is the last time exceptions will be reported to this Committee.

3. DETAIL

Support for Young Carers

- 3.1 The Council has been working to reshape this service in response to the changing statutory duties. Additionally, work is underway to integrate provision with the Council's Early Help Assessment Pathway. This presents significant potential benefits for the Council, future service providers, and for young carers, through a greater focus on outcomes achieved by an integrated assessment processes.
- 3.2 In order to ensure continuity for Young Carers whilst the service continues to re-shape its offer to meet the Council's new statutory requirements, the decision to grant an exception to the Tenders and Contracts Regulations to allow officers to discuss and determine a value for money solution with the incumbent provider was taken by the Director of SCC on the recommendation of the Contracts and Commissioning Board on the 24 September 2015 ref CCB1056/15-16.
- 3.3 The decision relating to the award of contract was taken by Director of Strategy, Communities and Commissioning on 24 March 2016 (CCB1116/15-16)

Open Access Counselling, Advice and, Advocacy

- 3.4 The Council submitted its Child & Adolescent Mental Health Services (CAMHS) Transformation Plan to the Department of Health in October 2015. This enables the borough to attract a significant level of investment for CAMHS for the period 2015-2020. The Clinical Commissioning Group (CCG) will receive c. £700,000 per annum from the Department of Health, which equates to over £3,000,000 of additional funding for CAMHS within this period.
- 3.5 To enable the Council align service delivery with the Plan, an exception to the Council's Tenders and Contracts Regulations was approved by the Director of SCC on the recommendation of the Contracts and Commissioning Board on 24 September 2015 ref CCB1060/15-16 to allow officers to directly award the contract to the incumbent providers, Off the Record and Croydon Drop In, following submission of a service

proposal setting out how they would meet the Council's requirements.

- 3.6 The decision relating to the award of contracts was taken by Director of Strategy, Communities and Commissioning on 24 March 2016 (CCB1115/15-16)

Careline Equipment

- 3.7 Careline Plus is delivered by a team within Adult Social Care which is expected to be in scope for the Accountable Provider Alliance (APA) since more than 84% of their clients are over 65 years old. The core service is a personal alarm-based system designed to enable vulnerable people to continue living as independently in their homes for as long as safely possible.
- 3.8 An exception to the Council's Tenders and Contracts Regulations was approved by the Director of SCC on the recommendation of the Contracts and Commissioning Board on 24 March 2016 ref CCB1077/15-16. The decision to approve the use of Regulation 3 aligns with the development of the APA and allows for continuity whilst the future service model is further developed.
- 3.9 The decision relating to the award of contract was taken by the Director of SCC on the recommendation of the Contracts and Commissioning Board on 24 March 2016 ref CCB1077/15-16.

Smoking Cessation Service – Solutions 4 Health

- 3.10 Solutions 4 Health provides a mobile service specifically tasked with engaging people from the most deprived communities, engaging people at greatest risk of smoking-related disease (workplaces, hard to reach communities (including the homeless), BME groups) and smokers living with children.
- 3.11 The contract for this service was due to expire in April 2016. However at the time all the Council's lifestyle service contracts were under review as the Croydon Live Well service was developed. Livewell is now due to go live on 1 October 2016.
- 3.12 An exception to the Council's Tenders and Contracts Regulations was approved by the Director of SCC on the recommendation of the Contracts and Commissioning Board on 7 April 2016 (decision reference CCB1128/16-17). This will allow the direct award of a contract for the delivery of specialist smoking cessation services to Solutions 4 Health for a period of six months from 1 April 2016 to 30 September 2016 in order to provide sufficient time for the development of Live Well Croydon, where all lifestyle services will come together.
- 3.13 The decision relating to the award of contract was taken by the Director of SCC on the recommendation of the Contracts and Commissioning

Board on 7 April 2016 ref CCB1128/16-17.

Smoking Cessation Service – Croydon Health Services

- 3.14 Croydon Health Services (CHS) provide a hospital based stop smoking service focusing mainly on pregnant women, people with smoking-related illnesses, long term conditions and pre-operative outpatients.
- 3.15 The contract for this service was due to expire in 31 March 2016. However at the time all the Council's lifestyle service contracts were under review as the Croydon Live Well service was developed. Livewell is now due to go live on 1 October 2016.
- 3.16 An exception to the Council's Tenders and Contracts Regulations was approved by the Director of SCC on the recommendation of the Contracts and Commissioning Board on 7 April 2016 (decision reference CCB1129/16-17). This will allow the direct award of a contract for the delivery of specialist smoking cessation services to Croydon Health Services for a period of six months from 1 April 2016 to 30 September 2016 in order to provide sufficient time for the development of Live Well Croydon, where all lifestyle services will come together.
- 3.17 The decision relating to the award of contract was taken by the Director of SCC on the recommendation of the Contracts and Commissioning Board on 7 April 2016 ref CCB1129/16-17.

Parent Infant Partnership

- 3.18 The Council originally applied to PiP UK Ltd in 2013 and then resubmitted in light of the Best Start Programme Development on the 8th May 2015 for funding to develop an evidence based therapeutic home visiting service that will target mothers at risk of or experiencing antenatal and post-natal depression; where babies are failing to thrive and where there are concerns about the parent infant relationship. The Council was awarded funding on the 18th May 2015.
- 3.19 The PiP UK funding application was developed by the Council with 'Croydon Drop in' identified as the lead voluntary sector partner. The grant funding from PiP UK is conditional upon 'Croydon Drop In' delivering the PiP programme in Croydon, in line with the fidelity requirements of the national evidence based programme.
- 3.20 An exception to the Council's Tenders and Contracts Regulations was approved by the Director of SCC on the recommendation of the Contracts and Commissioning Board on 24 March 2016 decision reference CCB1127/16-17.
- 3.21 The utilisation of Regulation 3 was requested due to the urgency related to the finalising contract terms and meeting the time

requirements set out by the funder.

- 3.22 The decision relating to the award of contract was taken by the Director of SCC on the recommendation of the Contracts and Commissioning Board on 27 April 2016 ref CCB1127/16-17.

Installation of communal boilers

- 3.23 The central heating installation work to housing is carried out by Clairglow Heating Ltd however the Council has historically delivered its communal boiler installation programme to its housing stock via separate contracts following the outcome of a competitive tender exercise via a framework. The communal boiler installations for schools are procured on a site by site basis in accordance with the agreed priority work programme for each respective financial year.

- 3.24 An exception to the Council's Tenders and Contracts Regulations was approved by the Director of SCC on the recommendation of the Contracts and Commissioning Board on 5 May 2016 decision reference CCB1147/15-16. This enabled the Council to proceed with negotiations with Clairglow Heating Ltd with regards to the following;
- i) Incorporating the installation of communal boiler requirements into the current mechanical contract;
 - ii) The Council's housing and school related properties to be incorporated into the scope of the existing mechanical contract;

- 3.25 Combining these mechanical related activities under one lead service provider approach, supports the original overarching Planned Maintenance and Improvement procurement strategy of providing good value for money; opening up the opportunities in relation to service quality, continuous improvement, price and supply chain, also encouraging the delivery of local employment and community benefits.

- 3.26 The decision will be enacted via a change control notice in line with the commercial contract management framework as set out in the contract terms.

4. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 4.1 Proposed Revenue and Capital consequences of exceptions to the tenders and Contract Regulations

Contract Title	Contract Revenue Budget	Contract Capital Budget	Dept
Support for young carers	Total contract value £337,500		People
Open Access Counselling, Advice and Advocacy	Croydon Drop In' for a maximum total contract value of £300,000 'Off The Record' for a maximum total contract value of £68,000		People
Careline Equipment	Total contract value of £83,000		People
Smoking Cessation – Solutions 4 Health	Total contract value of £128,528		Resources
Smoking Cessation – Croydon Health Services	Total contract value of £80,000		Resources
Parent Infant Partnership	Total maximum contract value in the sum of £190,395 Provider will also receive £104,250 grant funding direct from PiP UK (grant funder)		
Installation of communal boilers		Additional contract value of £2.5m (total contract value £20.5m)	Place

Approved by Lisa Taylor, Assistant Director Finance and Deputy Section 151 Officer

5. COMMENTS OF THE BOROUGH SOLICITOR AND MONITORING OFFICER

- 5.1 The Acting Council Solicitor comments that an exception to the former Tenders and Contracts Regulations (prior to their revision in May 2016) was able to be sought under Regulation 3 where a new approach to procuring supplies, services or works will achieve value for money. Approval of the exception must be sought from the Director of Strategy, Communities and Commissioning on the recommendation of the Contracts and Commissioning Board before that approach is taken.
- 5.2 The former Regulation 3 further provided that the next available meeting of GPAC must then be notified of any exceptions granted under that regulation.

Approved for and on behalf of: Gabriel Macgregor, Head of Corporate Law, Acting Borough Solicitor and Acting Monitoring Officer

6. HUMAN RESOURCES IMPACT

- 6.1 There are no HR issues arising from this report, which is a standard scheduled report for information.

7. EQUALITY IMPACT

- 7.1 The Equality Analysis process has been used to assess the actual or likely impact of the decisions related to contracts mentioned in this report and mitigating actions have been defined where appropriate.
- 7.2 Any issues identified through the equality analysis will be given full consideration and agreed mitigating actions will be delivered through the standard contract delivery and reporting mechanisms.
- 7.3 The equality analysis for the contracts mentioned in this report will enable the Council to ensure that it meets the statutory obligation in the exercise of its functions to address the Public Sector equality duty (PSED). This requires public bodies to ensure due regard to the need to advance equality of opportunity; foster good relations between people who share a “protected characteristic” and those who do not and take action to eliminate the potential of discrimination in the provision of services.

8. ENVIRONMENTAL IMPACT

- 8.1 Any issues emerging in reports to the relevant Cabinet member will require these considerations to be included as part of the standard reporting requirements, and will not proceed without full consideration of any issues identified.

9. CRIME AND DISORDER REDUCTION IMPACT

9.1 Any issues emerging in reports to the relevant Cabinet Member will require these considerations to be included as part of the standard reporting requirements, and will not proceed without full consideration of any issues identified.

10. FREEDOM OF INFORMATION (FoI) / DATA PROTECTION CONSIDERATIONS

10.1 The Council's Procurement Strategy and Tenders & Contracts Regulations are accessible under the Freedom of Information Act 2000 as part of the Council's Publication Scheme. Information requested under that Act about a specific procurement exercise or contract held internally or supplied by external organisations, will be accessible subject to legal advice as to its commercial confidentiality, or other applicable exemption, and whether or not it is in the public interest to do so.

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BACKGROUND DOCUMENTS: None