

Cabinet Background documents



13. Investing in our Borough (Pages 3 - 98)

Officer: Jacqueline Harris Baker

Key decision: no

JACQUELINE HARRIS BAKER
Council Solicitor and Monitoring Officer
London Borough of Croydon
Bernard Weatherill House
8 Mint Walk, Croydon CR0 1EA

Victoria Lower
020 8726 6000 x14773
020 8726 6000
victoria.lower@croydon.gov.uk
www.croydon.gov.uk/meetings

This page is intentionally left blank

Summary Report & Recommendations

1. Details

Project title:	LIQUID LOGIC SYSTEMS IMPLEMENTATION PARTNER CONTRACT VARIATION
Name and role of report author:	CAROLINE BAXTER Head of Business & Service Compliance ROB OSBORNE Systems Programme Lead
Directorate and Service Area:	PEOPLE Health, Wellbeing and Adults
Executive Director:	Guy Van Dichele, Executive Director
Director/Head of Service:	Annette McPartland, Director of Operations
Statutory Service (Yes or No):	Yes
Procurement Stage (RP2 or RP3):	RP3
Key Decision (Yes or No - if Yes, include ref and if using General Exemption):	NO

2. Summary

Summary of project, issue, cost and status, reason for urgency (see Appendix 1A/B), and recommendation.

Project: Liquid Logic Adult Social Care system**Issues**

A new adult social care system is being implemented with planned go live in September 2020. The implementation work has been impacted in a number of ways due to the COVID-19 crisis and there is a need to vary the Albany Beck contract to provide additional consultancy support to make sure they system can go live as planned in September 2020.

Resources in Adult Social Care and Croydon Digital Services have been diverted to focus on COVID 19 response which has impacted capacity of in house team to deliver training, support and report writing

There are 3 areas requiring additional support – Training, Report Writing and Post Go-Live Support within the ASC programme.

Training

Training is required for all back office admin staff and practitioners. The following requirements need to be met: It must be delivered in an effective timeframe (within a three-week window of go live). It must be COVID-19 proof: the plan must take into account the impact the virus is having on the departments. It must be cost-effective: despite the current situation, overall cost is still crucial. It must consider the transition to Business As Usual: knowledge must not be lost when the project team departs.

Albany Beck (using sub contractor BetterGov) were originally intended to deliver the training alongside the in house team however that allocation of Albany Beck/BetterGov resource was diverted to other deliverables (which would have been done in house) where in house staff have been diverted to COVID-19 response related activities.

Croydon Digital Services, BetterGov (sub contracted by Albany Beck) and Liquidlogic (the supplier of the Adult social care IT system being implemented) were asked to submit training plans that

demonstrated extensive experience of delivering social care case work and finance remotely and meet go live with no added costs. The Documents were reviewed and rated and the decision was taken to recommend the Albany Beck BetterGov proposal.

Rationale for choosing Albany Beck using BetterGov

BetterGov demonstrated a fuller understanding of the challenges faced by the Council and the ASC workforce e.g. social distancing and lack of classroom based training. Their plan detailed a remote roll out of the new system. They have built the system and its pathways from ground up alongside the teams, have built robust relationships within the service and have experience of rolling out training in a complex and fast paced delivery programme. BetterGov also proposed a blended package which will engage and deliver a large-scale, flexible programme of bitesize, interactive video conference training for small groups of users delivered in a tight training window which staff can book onto and change easily given their constantly changing priorities to deliver the front line duties during COVID- 19 restrictions. This is a more personalised approach offering greater quality and yet remains cost effective.

Cost

The training proposal from Albany Beck using BetterGov is a maximum of £156,725, which is a time and materials quote.

Other options considered for training:

1. Vary the contract with Liquidlogic: at a cost of @£96k. A proposal was received from Liquidlogic the systems provider however this did not meet requirements as set out above.
2. In house provision: an in house proposal from CDS was evaluated but was considered not to meet requirements. CDS would have needed to bring in contractors to supplement the current team in order to deliver the training. The cost of the in house option was @£227k
3. Run a tender: There is not enough time to run a tender before the system go live date in September

Report Writing

There is a need to develop a number of reports to enable staff and managers to monitor work being undertaken by staff and ensure that it is being completed in a timely and appropriate manner.

Rationale

Albany Beck using BetterGov are best placed to be able to provide some short-term support to produce this work as they are familiar with the system, how it is configured and how the data to be reported is held within the system, as they have been responsible for configuring the system to meet the needs of LBC.

Other options considered for report writing:

This work was to be completed by the performance team with some support from the CDS project team, but the performance team is now totally committed to providing support to COVID-19 activities and does not have the capacity to provide these services.

Cost

The report writing proposal from BetterGov provides a cost estimate of between £58,352 and £77,800.

Post Go-live Support

There will be a need for BetterGov consultants to provide post go-live support for staff using the new system immediately after go-live and for the Business Systems Team in CDS to become familiar with the on-going support requirements of the system.

Rationale

The decision to use BetterGov to provide training means they will also need to provide more of the post go-live support, as if the original plan of CDS developing and delivering the training, the training team would have also been heavily involved in the delivery of post go-live support.

Other options considered for post go live support:

Originally, it was intended that some of the contingency in the current contract could be used for this, but this has needed to be used so that BetterGov can provide additional testing resources to compensate for the fact that ASC staff have not been able to attend testing sessions.

The additional costs for post go-live support are estimated at £100,000.

Cost Summary.

The original Albany Beck contract value was £607,156, the contract was varied in December 2019 to a new value of £1,060,480 (CCB1522/19-20, Key Decision ref 3719FR) the proposed value of this variation is £401,430 bringing total contract value to £1,461,910

Note that the proposed variation exceeds 50% of the original contract value which does not comply with PCR regulation 72. The programme team have considered that the risk of not varying the contract will have a major impact on Adult Social Care services and this outweighs the risk of non-compliance with PCR regulation 72.

Element of Work	In House £	Liquid Logic Variation £	Albany Beck Variation £
Training	227,750	96,760	156,725
Report Writing	n/a	n/a	77,800
Post Go Live support	n/a	n/a	100,000
Contingency at 20%	n/a	n/a	66,905
Total	227,750	96,760	401,430
Units Days	590	122	477
Unit costs (notional)	@386pd	93 days at 830pd 30days at 680pd	@898pd

This is not a request for additional funding as the costs can be met within the current budget for the People's Systems Implementation Programme.

Reason for Urgency

The system is due to go live in September. Resources in Adult social care and within the CDS delivery team have been diverted to focus on COVID 19 response. The capacity of the in house team to deliver the training and develop reports has been impacted as has the other implementation activity. It is possible to deliver the requirements using external resources without placing further demands on the implementation team who need to ensure the solution is live by September.

2.2 Recommended Procurement Strategy during COVID-19

Recommendation:

Pursuant to Part 5 A Article 1.7 (Urgency Decisions) of the Cabinet Member for Families, Health and Social Care is recommended as the relevant body to:

1. Approve a variation to the contract with Albany Beck to deliver systems training services at a cost of £401,430 for a total contract value of £1,461,910 for the reasons set out in this report:

REASONS FOR URGENCY

- System due to go live September 2020
- Resources in ASC and CDS have been diverted to focus on COVID 19 response which has impacted capacity of in house team to deliver training, support and report writing

- The modification has been brought about by circumstances which a diligent contracting authority could not have foreseen, given the Covid 19 challenges the operational services have faces and does not alter the overall nature of the contract which included training and knowledge transfer.

OTHER OPTIONS CONSIDERED AND REJECTED

- As set out in section 2 of this report

3. Financial Implications

Details	Internal Capital	Revenue	Period of funding	External		Period of funding
				Capital	Revenue	
CFA227 Capital cost centre All revenue spend from revenue code C14084 is recharged to the capital code	401,430		to September 2020	n/a	n/a	n/a

5. Actions

Action	Action owner	Date

6. Outcome and approval

Outcome	Date agreed	
Cllr Hall briefed (30/07/2020)	CCB (01/07/2020)	CCB1585/2021
	Leader/Lead Member	

REPORT TO:	Cabinet Member for Families, Health, and Social Care
SUBJECT:	Contract Award Adult and Young People Social Care Dynamic Purchasing Systems (DPS 3 Lot 1)
LEAD OFFICERS:	Guy Van Dichele, Executive Director of Health, Well Being and Adults Sarah Warman Director of Commissioning and Procurement
CABINET MEMBER:	Councillor Janet Campbell, Cabinet Member for Families, Health, and Social Care Cllr Alisa Flemming, Cabinet Member for Children, Young People and Learning Councillor Simon Hall, Cabinet Member for Finance and Resources
WARDS:	All
<p>CORPORATE PRIORITY/POLICY CONTEXT/ AMBITIOUS FOR CROYDON</p> <p>This approach supports the following corporate priorities for the next 4 years as set out in the Corporate Plan 2018-2022:</p> <p>Promoting Independence and Enablement: To help people live long, healthy and independent lives with access to effective health services and care services. and, to help families be resilient and able to maximise their life chances and independence</p> <p>Partnership: Work in partnership with the NHS to provide good quality health services to Croydon's population.</p> <p>Children and Young People: Ensure that children and young people in Croydon are safe, healthy and happy.</p> <p>Locality Matters: Develop services that are place based and integrated within their local community and tailored to local needs.</p>	
<p>FINANCIAL IMPACT</p> <p>Lots from Dynamic Purchasing Systems (DPS) 3 to be introduced in over the next six months sit in two council departments Health Wellbeing and Adults and Children, Families and Education. The total value of the services included in DPS 3 is currently £26,080,000 per annum, against a 2020/21 Budget of £15,557,000.</p> <p>From this financial year 2020/21 onwards, there is an expectation that pressure on this budget will continue to be managed, through a combination of better contract monitoring and control of expenditure, and where required finding alternative savings.. The council budget for 2020/21 has been finalised and anticipated spending pressure</p>	

on areas in scope has been flagged. The current Covid-19 pandemic has increased the demand for supported living and supported housing home care with more patients being discharged with care needs. The longer term impact on supported living and supported housing is not clear and will be reviewed regularly. Currently, during this Covid -19 emergency period, NHS funding for the hospital is picking up the initial costs of care before being reviewed.

COVID-19 will also impact the ability to deliver alternative savings to mitigate any spending pressures

Additionally, the Council's health partners have access to other public and private funds to commission and procure services from the DPS. It is anticipated that these organisations will contribute financially to our management of the DPS. This will significantly increase the total spend on potential contracts being procured from the DPS.

The proposal is to establish DPS 3, to provide flexibility and allow significant headroom for the Council and partners to procure from the DPS over the DPS duration of up to ten years. Most services commissioned to the DPS will be subject to mini-competition to ensure value for money.

FORWARD PLAN KEY DECISION REFERENCE NO.: 0220FHSC

The decision may be implemented from 1300 hours on the 6th working day after the decision is made, unless the decision is referred to the Scrutiny & Overview Committee by the requisite number of Councillors.

The Leader of the Council has delegated to the relevant Cabinet Member for Families, Health, and Social Care in consultation with the Cabinet Member for Finance and Resources (3220LR) the power to make the decisions set out in the recommendations below:

1 RECOMMENDATIONS

The Nominated Cabinet Member for Families, Health, and Social Care in consultation with the Cabinet Member for Finance and Resources is recommended by the Contracts and Commissioning Board to approve the following:

- 1.1 The establishment of, and initial appointment of suppliers listed in Part B of this report to, DPS 3 Lot 1 (Supported Living) of the Adult and Young People Social Care DPS for a period of five years with an extension option for five subsequent periods each of one year. This is based on the contract terms issued as part of inviting tenders, such suppliers being those who have satisfied specified selection criteria;
- 1.2 Delegation of the award of contracts and placements called off under DPS 3 Lot 1 to be approved in accordance with the Council's Scheme of Financial Delegations and notified to Cabinet in accordance with paragraph 2.4 of this report.
- 1.3 Delegation of the future appointment of providers to DPS 3 Lot 1 (and to the previously established DPS 3 Lot 2) to be approved by the Executive Director

of Health, Well Being and Adults in accordance with paragraph 2.4 of this report
--

2 SUMMARY

- 2.1 The procurement strategy for the establishment of three Dynamic Purchasing Systems ('DPS') for Health and Social Care (subsequently referred to as Adult and Young People Social Care) for the initial period of five (5) years with options to extend for five subsequent periods each of one year with a total estimated annual value of up to £150,000,000.00 was approved by Cabinet on 8th July 2019 (CCB Ref: CCB1498/19-20).
- 2.2 Pursuant to a recommendation of Cabinet on 19th December 2019, the Leader delegated to the Cabinet Member for Families, Health, and Social Care in consultation with the Cabinet Member for Finance and Resources the authority to approve the appointment of suppliers to, and award of contracts and placements called off from, the DPSs.
- 2.3 Pursuant to such delegation the Cabinet Member for Families, Health, and Social Care in consultation with the Cabinet Member for Finance and Resources has previously approved the initial appointment of suppliers for the establishment of the Health and Social Care Services DPS for DPS 3 Independent Living & Supported Housing – Lot 2 (key decision notice 4919FHSC – 27 January 2020). The scheme of delegation for the award of placements and call offs from the said DPS was also approved. The associated report detailed the processes relating to the setting up the Health and Social Care Dynamic Purchasing Systems, selection of appointees to the DPS and scheme of delegation for call offs. Part A of that report (The Lot 2 Report) is attached as a background document to this report.
- 2.4 The purpose of this report is to:
- a) agree the establishment and initial appointment of suppliers to DPS 3 Lot 1 (Supported Living) with the providers listed in Part B meeting the minimum requirement for becoming an approved provider for health and social care services following the same process as that set out in the Lot 2 Report;
 - b) agree that the award of contracts and placements for DPS 1 shall be undertaken and approved in the same manner as described in the DPS 3 Lot 2 Report;
 - c) agree that approval of future appointments of providers to DPS 3 Lot 1 (and also to the previously established DPS 3 Lot 2) shall be delegated to the Executive Director of Health, Well Being and Adults. Such appointments shall be based on the same selection criteria and contract terms as applicable to the appointment of initial providers.
- 2.5 Reporting of future appointments approved in accordance with this delegation as well as call offs shall be notified in accordance with the DPS 3 Lot 2 report.

- 2.6 There were 71 SQ Submissions received for DPS 3 for the Lots and Service Categories as follows, (noting that tenderers may have submitted tenders for any number of Lots and Categories):

Fig 1. DPS 3 all returns

Lots	Service Categories	Bidders
Lot 1	Supported Living	71
	1. Mental Health	57
	2. Learning Disabilities	64
	3. Physical Disabilities	44
	4. Autism	58
	5. People with Challenging Behaviour	61

- 2.7 The outcome of this quality and price evaluation process for DPS 3 has resulted in 31 approved providers

Fig. 2 DPS 3 Lot 1 Approved Providers

Lots	Service Categories	Approved Providers
Lot 1	Supported Living	31
	1. Mental Health	21
	2. Learning Disabilities	28
	3. Physical Disabilities	17
	4. Autism	24
	5. People with Challenging Behaviour	20

- 2.8 The content of this report has been endorsed by the Contracts and Commissioning Board.

CCB Approval Date	CCB ref. number
06/07/2020	CCB1587/20-21

3 CONSULTATION

- 3.1 **Suppliers:** For DPS 3 the Project Team spent time specifically engaging with the social care market before and during the application window. Several market warming events were held earlier in the year and two market briefings were held at the Croydon Conference Centre on Monday 7th and Wednesday 9th October 2019. Over 150 organisations attended the conferences. Supplier engagement events have also taken place for DPS (100 suppliers attended) and DPS 2 (90 suppliers attended).
- 3.2 **VCSE:** The procurement opportunity will be open to VCSE groups to work as a direct suppliers and with main suppliers as a partner or sub-contractor.
- 3.3 **Partners:** Prospective partners from across Croydon Council and One Croydon Alliance have been involved and consulted. The partners will have open access to the new DPS's and will be able to commission services. The partners include the Croydon One Alliance, the CCG, and SLaM.

- 3.4 **Stakeholders:** Some service users have been consulted over the last 12 months by commissioning and brokerage teams. It will be ensured that service users to receive services commissioned through the DPS understand the process and have their preferences accommodated where possible.

4 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 4.1 The Council currently spends in excess of £26.1m on DPS 3 every year in financial support to the Adult and Young Peoples Social Care and Supported Living Services against a budget of £15.6m. Expenditure will be procured through the three DPS's via mini competition and individual call-offs.
- 4.2 Based on previous years, there is expected to be a financial pressure on this activity in 2020/21. Overspends in 2020/21 will be managed in year through identifying savings, of which some have been agreed during the 2020/21 budget setting process . Following the establishment of the DPS for Health and Social Care, from 2020/21 onwards, there is an expectation that this pressure will continue to be managed through a combination of better contract monitoring and control of expenditure, and where required finding alternative savings.
- 4.3 The current Covid-19 pandemic has increased the demand for supported living and supported housing with more patients being discharged with care needs. The longer term impact on supported living and supported housing is not clear and will be reviewed regularly. Currently, during this Covid -19 emergency period, NHS funding for the hospital is picking up the initial costs of care before being reviewed.
- 4.4 COVID-19 will also impact the ability to deliver alternative savings to mitigate any spending pressures. Fig. 8 highlights budget areas calling-off DPS 3. Supported Living (DPS 3, Lot 1) and Supported Housing (DPS 3, Lot 2) budgets are from Health, Wellbeing and Adults, whilst Young People's accommodation services (DPS 3, Lot 3) are from Children, Families and Education budgets.
- 4.5 **Fig. 8 Actual Adults Social Care Spend against by DPS 3 Lots in 2019/20:**

DPS 3	Annual Spend 2019/20	Budget 2020/2021
Lot 1: Supported Living	13,763	8,755
Lot 2: Supported Housing	2,247	2,369
Lot 3: Young People	10,070	4,433
Total	26,080	15,557

The effect of the decision

- 4.6 **Competition on price** - The DPS's are an effective procurement system to call-off significant volumes of care. Currently spot purchase is used frequently across these service areas where, aside from regulatory reports and some

monitoring, there is insufficient information on the quality of the services. All services through the DPS will have passed a quality threshold. Furthermore provider costs will be built into the DPS rather than providers naming their price. The use of mini-competition allows for further submissions on quality and revised pricing.

- 4.7 **Medium Term Financial Strategy** – Notwithstanding the price competition outlined above enabling service commissioned to be value for money, the DPS's support the revised Medium Term Financial Strategy through ensuring sufficient capacity of supported living, supported housing and home care to keep residents away or step-them down from more institutional residential and nursing care. The spend on residential care should reduce with Extra Care and supported living seen as more independence maintaining options.

London Living Wage

- 4.8 As a LLW borough, all applicable contracts will include the requirement to pay the LLW. This is an important investment in the social care workforce which should result in increased productivity. LLW will apply to all new Supported Living and Housing Related Support contracts called off from the DPS for services in Croydon. The impact of the LLW on new contracts will be gradual and will apply to new service users, as many existing placements are long term contracts. Cost implications are about £20,000 for new placements in Year 1 in Supported Living. For new Housing Related Support contracts called off from the DPS for services in Croydon there will be volume contracts with the providers. Cost implications are about £100,000 in year one but this could be reduced by mini-competition.

Other Risks

- 4.9 **Not committed spend** - Spend through the DPS is not committed spend as the commitment only applies to the quantities required for each call off or mini competition. This means that if the budget were to increase or decrease in the future, the required volumes could easily change year on year to reflect this. The focus will be on prevention and re-ablement to help service users live more independently thereby reducing the dependency on more expensive and traditional methods of providing care (spend in DPS 2). Monitoring of spend via the DPS's will be robust with a six monthly report to CCB and more frequent reporting the Executive Director Health, Wellbeing and Adults.
- 4.10 **Partner usage** – The CCG and SLaM may use the DPS's. Participating organisations will need to sign an Access Agreement to use the DPS's.
- 4.11 **Commissioning outside DPS** - There is a risk that all partners of the integrated procurement hub do not purchase services via the DPS. This will be mitigated by engaging with the partner local authorities to gain their buy-in to the specifications and awarding methodology.
- 4.12 **Staff resources** – Setting up three DPS's is a resource intensive process. The bid evaluation to ensure only quality providers join the DPS has and will place a heavy demand on council staff time. Longer term staff implications of

managing any new applications to join the DPS's and the continual brokerage and contract management functions will be managed within the newly restructured Adults, Health and Integration team in Commissioning and Procurement.

Options

- 4.13 Options were considered as part of the RP1 Make or Buy report agreed by CCB in 2018. Using the DPS enables more frequent refreshing of the bidder base and prices, to better match the dynamics in the supplier market and gain the continual value improvements.

Future savings/efficiencies

- 4.14 It is not anticipated that the DPS's collectively will make savings as there will be cost pressure on existing services joining the DPS that do not currently stipulate LLW. As vulnerable residents' needs will become more complex, the DPS will seek to ensure a variety of independence maintaining/enhancing options through DPS 1 and 3. The DPS's will provide a flexible solution through mini-competition to the commissioning and procurement of services that can be managed to contain expenditure within approved budgets.

Approved by: Josephine Lyseight, Head of Finance, on behalf of the Director of Finance, Investment & Risk.

5 LEGAL CONSIDERATIONS

- 6.1 The Director of Law and Governance comments that the legal considerations are as set out in this report.

Approved by Sonia Likhari on behalf of Sean Murphy, Director of Law and Governance.

6 HUMAN RESOURCES IMPACT

- 6.1 There are no direct Human Resources implications arising from this report for Croydon Council employees. Nonetheless, this procurement strategy could result in service provision changes, as services are called off from the DPS's and new contracts are awarded, which may invoke the effects of TUPE (Transfer of Undertakings (Protection of Employment) 2006 Legislation, amended 2014). The application of TUPE will be determined by the incumbent and the new service providers, for which the Council is the client. On that basis, the role of the Council would usually extend no further than facilitating the process.
- 6.2 Paying LLW rates where applicable will be a contractual requirement of the DPS approach. National Living Wage, as set by Living Wage Foundation, will apply to contracts in other parts of the country.

Approved by: Debbie Callister, Head of HR for Health, Wellbeing and Adults,
on behalf of the Director of HR

7 EQUALITIES IMPACT

- 7.1 An Equalities Analysis has been completed by the e-market place implementation team to ascertain any potential impact on protected groups in relation to the creation of DPS to supply services. This was approved by CCB in 2018.
- 7.2 The services positively promotes equalities across all groups with protected characteristics. The provision of personal care services promotes independence, improves quality of life.

Approved by: Yvonne Okiyo, Equalities Manager

8 ENVIRONMENTAL IMPACT

- 9.1 There are no adverse environmental impacts to the report.

9 CRIME AND DISORDER REDUCTION IMPACT

- 9.1 There are no adverse implications for crime and disorder arising from this report. There are however, positive implications by supporting homeless people and people with mental health problems, drug and alcohol abuse, etc.

10 REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 10.1 The procurement carried out has been compliant with the approved procurement strategy, the Council's Tenders and Contracts Regulations and the Procurement Contracts Regulations 2015. The DPS offers an end to end process for commissioning and award of a range of services for adults and young people.

11 OPTIONS CONSIDERED AND REJECTED

- 11.1 An Options Appraisal was considered as part of the RP1 (Make or Buy) report, which has been agreed by CCB. The establishment of DPS 1 - 3 ensures that the Council and other authorities within the Integrated Procurement Hub are getting the best possible value for money in relation to the purchase of personal care services. Procuring outside of the DPS would not enable the Council and the Integrated Procurement Hub to achieve the savings detailed within this paper.

For Publication

- 11.2 The establishment of a Framework similar to the previous IFA. A framework is considered in this case to be too restrictive as the maximum term is limited to 4 years maximum. New suppliers cannot be added to the framework of approved suppliers unless the framework is refreshed.
- 11.3 Without a DPS or Framework, the Council would have to advertise and tender all services every time a new service is required. The process is very inefficient and time consuming, requiring extra staff.
- 11.4 Spot purchasing services as and when required – this approach is considered to be non-compliant with the Council's financial regulations and EU Procurement legislation.

12 DATA PROTECTION IMPLICATIONS

12.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

YES - The first (current) stage of the establishment of the DPS's for Adults and Social Care services does not involve the processing of personal data about service users. However, all providers have been asked to confirm that they comply with current GDPR legislation as well as providing their data protection policies and procedures. This has been evaluated for all providers (as a pass/fail question in the Selection Questionnaire).

In the second call off stage any Approved Providers who are awarded a contract or placement, will process some personal data on behalf the residents and the Council namely identity data, some financial data and health and care data.

12.2 HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?

IN PROGRESS - A Data Protection Impact Assessment is being undertaken for the second call off stage. Additionally as part of contract mobilisation further work will be undertaken on the Assessment with the approved providers who are awarded contracts from the DPS who will process and or hold some data on behalf of the Council and residents. For example, the Council in some cases the Council will need to create a three-way data sharing agreement with the preferred provider and Croydon CCG.

Approved by: Guy Van Dichele, Executive Director of Health, Wellbeing and Adults

CONTACT OFFICER:

Name:	John Smith
Post title:	Strategic Category Manager, C&P for Adults, Health & Integration

For Publication

Email:	John.Smith@croydon.gov.uk
---------------	--

Background Papers: None

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

REPORT TO:	Cabinet Member for Finance and Resource
SUBJECT:	Digital out of home advertising concession contract award
LEAD OFFICER:	Strategic – Neil Williams, Chief Digital Officer Operational – Opama Khan, Head of Digital Place
CABINET MEMBER:	Councillor Simon Hall, Cabinet Member For Finance and Resources
WARDS:	‘ALL’
<p>CORPORATE PRIORITY/POLICY CONTEXT/ A DIGITAL COUNCIL</p> <p>Croydon has ambitious plans to digitally transform the borough in order to deliver the services and infrastructure our residents need to thrive and live happy, healthy lives.</p> <p>Croydon’s Digital Strategy sets out the ambition to develop Croydon as a Digital Borough and aspires to maximise opportunities for digital design, data and technology to enhance economic growth, quality of life, sustainability and individual opportunity in Croydon.</p> <p>Croydon’s aspirations are for its residents, visitors, students and businesses to enjoy faster broadband connectivity, a digitally enhanced public realm, through initiatives including digital wayfinding information, apps that bring the community together, and smart technology solutions that help reduce energy consumption, lower emissions, improve public safety and help make Croydon a more attractive place to be.</p> <p>Croydon’s smart city objectives focus on innovative technology-enabled solutions and initiatives to deliver the following outcomes across the borough:</p> <ul style="list-style-type: none"> • Improve quality of life and wellbeing by improving residents’ experience of living in Croydon, including more efficient mobility, health related information and wayfinding • Support growth through job creation and attracting investment through the creation of an environment for innovation and creativity • Support and enable environmental sustainability by improving air quality, and monitoring environmental, pedestrian and traffic flows • Enable a safe and secure city by reducing crime, increasing security, reducing risks, improving emergency response • Enhance efficiency by reducing costs of infrastructure and service provision through the collection of specific data 	

FINANCIAL IMPACT

The resulting 10 year contract is estimated to generate a net income to the Council over the contract term. An income target is included in the budget of Croydon Digital Service for digital advertising.

KEY DECISION REFERENCE NO.: 4120FR

This is a Key Decision as defined in the Council's Constitution. The decision may be implemented from 1300 hours on the expiry of 5 working days after it is made, unless the decision is referred to the Scrutiny & Overview Committee by the requisite number of Councillors.

The Leader of the Council has delegated to the nominated Cabinet Member (decision ref 4320LR) the power to make the decisions set out in the recommendations below.

1. RECOMMENDATIONS

- 1.1 The Cabinet Member for Finance and Resources in consultation with the Leader of the Council is recommended by the Contracts and Commissioning Board to approve the award of a concession contract for the delivery of digital out of home advertising services for a term of ten years, to the contractor named, and for the contract price specified in Part B.
- 1.2 The Cabinet Member for Finance and Resources is asked to note that:
 - 1.2.1 The name of the successful contractor and contract value will be released once the contract award is agreed and implemented.
 - 1.2.2 The Chair of CCB has approved a waiver in respect of a departure from the 40% cost/ 60% quality ratio required under the Tenders and Contracts Regulations

2. EXECUTIVE SUMMARY

- 2.1 This report sets out the process and outcome of the tender conducted in relation to the procurement strategy for Out of Home Media – Street Furniture, Bus Shelters and associated advertising. The strategy was approved by the Contract and Commissioning Board on 6th December 2018 (ref CCB1435/18-19).
- 2.2 This report confirms the procurement process followed and recommends a contract award to the preferred supplier following a process conducted under the Concession Contract Regulations 2016.
- 2.3 The concession contract term will be for a total of ten years. The proposed 10 year concession length will begin from the point advertising sites become

operational and start to produce revenue – the overall contract length will be longer to cover the implementation period.

- 2.4 The contents of this report has been endorsed by the Contracts and Commissioning Board

CCB ref. number	CCB Approval Date
CCB1594/20-21	28/97/2020

3. DETAIL

- 3.1 In accordance with the agreed procurement strategy, a tender procedure was conducted under Concession Contract Regulations 2016. A tender was originally published in 2018 using the Council electronic tenders portal. That tender was abandoned in order to include digital advertising and smart city requirements and a subsequent tender was conducted in early 2020.
- 3.2 Following a complete new set of requirements being prepared to include digital advertising and smart city requirements, a second tender was issued on 28 January 2020 for the small form Digital Out of Home requirement.
- 3.3 Note that under the Concession Contract Regulations 2016 concession contracts are awarded on the basis of objective criteria that identify an overall economic advantage for the contracting authority or utility as opposed to a basis of price or cost using a best price-quality ratio. A balanced ratio of 50/50 was therefore used to assist the evaluation team to determine the tender with the most economic advantage.

Tender scope

- 3.4 The services of a new Concessionaire (“Operator”) for the Authority’s bus shelters, street furniture, and associated advertising on advertising columns, bus shelters, information panels, Wayfinding and a deployment of smart city technology at identified sites.

The operators are required to:

- Install (and/or refurbish) the estate of shelters and sites
- Maintain and clean the installations
- Maximise revenue from advertising
- Deploy and maintain a smart city technology network of sensors for air quality, footfall, traffic flow and noise

The Council is seeking commercially:

- A minimum guaranteed annual fee
- A share of revenue created from the advertising
- A further fee per site if we expand the number of advertising sites

In line with the Digital Strategy, bidders were required to help us optimise digital advertising across the borough to leverage council-owned street furniture for improving street safety, monitoring air quality, footfall and other non-personal data, and explore the provision of free Wi-Fi, wayfinding and local Information.

The tender outcome is anticipated to achieve those aims.

Responses to the ITT

Expression of interest	21
On time tenders submitted:	3
Late submissions:	n/a
Opt Outs:	5

- 3.5 Five companies declined to bid citing that requirements were either not related to their business or they considered themselves unable to be competitive.

Three tenders were received by the closing date of 10 March 2020. One tender was subsequently withdrawn.

Evaluation

- 3.6 A panel of subject matter experts comprising The Chief Digital Officer, Head of Digital place, Finance Lead CDS, Category Manager for Digital Services and a subject matter expert, from an external partner providing advertising consultancy services to support the tender, evaluated the tenders against published requirements. Legal colleagues provided advice on contract clarifications and issues.

Effect of the Pandemic

- 3.7 The government imposed lockdown in response to the pandemic meant that the economic landscape changed massively and bidders were invited to online clarification meetings and were specifically asked to address how the pandemic was affecting their ability to conduct their services and how it may affect their bids.

3.8 Summary of Preferred Bidder Commercial Offer

- The highest guaranteed annual fee.
- A revenue share percentage was double that of the other bidder and comparable to the withdrawn/non-compliant bidder

3.9 Summary of Preferred Bidder Technical Offer

Bus shelters and advertising sites with digital panels and smart city technology including:

- Digital advertising.
- Wi-Fi hot spot.
- USB charging ports.
- Emergency phone.
- Information screens – displaying real time information: time, digital temperature, air quality, bus arriving schedule, and emergency text messages as needed.

The following technologies will be installed on each bus shelter, which will monitor the immediate surrounding area of the Bus Shelter for:

- Air quality.
- Noise pollution.
- Pedestrian footfall.
- Traffic flow.

A dashboard will be provided to the council incorporating this data, for real time viewing and report generation

3.10 Tender Evaluation Method

The following evaluation criteria, were used to evaluate the tenders in order to help identify the bidder offering the most economic advantage.

Quality	50%
Cost	50% (with 40% allocated to the guaranteed annual amount 10% of price allocated to Revenue Share

The council's standard 60/40 scoring criteria was replaced by a 50/50 split due to the nature of this concession with a focus on both maximising revenue for the council and bringing smart city technology based the Council's digital strategy.

Quality criteria was further broken down as follows. Bidders were required to answer method statements for each requirement.

<i>Area</i>		<i>% Sub-Criteria Weighting</i>
1	Service Delivery, Maximising Revenue and Transparent Accounting	20%
2	Mobilisation, Implementation and exit Plan	10%
3	Social Value	10%
4	Innovation	10%

3.11 Price evaluation method

Price Scores were awarded on the basis of:

- Awarding the Supplier with the highest combination of guaranteed offer and revenue share allocated the maximum score of 50%.
- Awarding scores to the other Suppliers on a pro/rata basis based on percentage variation.

3.12 Results

Quality and pricing results table (weighted scores)

One bidder's bid was non-compliant (details in the Part B report), so only two bids were considered.

These are the scores based on the compliant bids received:

COMBINED	cost score	quality score	Total %	Rank
Bidder C	19.23	16.75	35.98	2
Bidder A	50.00	18.50	68.50	1

3.13 Recommendation

Having met the requirements and providing an offer with the most economic advantage, that bidder A be contracted to provide the Digital out of Home advertising concession contract for a term of 10 years.

3.14 Social Value

The preferred bidder provided a social value proposal which offered economic benefit to Croydon residents and businesses details are set out in Part B.

4. CONSULTATION

4.1 Internal engagement with a number of council services was undertaken to build up the functional requirements of the tender. Subject matter experts from the following services were consulted:

- Planning & Place Making
- Strategic Transport
- Transport Logistics

- Pollution
- Community Safety
- Public Protection
- Growth Zone
- Regeneration
- Economic Development
- Employment Delivery
- Assets & Involvement
- Active Lifestyles
- Finance
- Legal
- Croydon Digital Services
- Council Members including Cabinet Member for Finance & Resources and Cabinet Member for Economy & Jobs

4.2 A market engagement event exercise was held with engage directly with DOOH operators and discuss the potential development and scope of the requirements.

4.3 Other local authorities were consulted in the development of the functional requirements, as well as the contract schedules and implementation plan (including resources required).

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1 Revenue and Capital consequences of report recommendations

Financial consequences are set out in the Part B report.

5.2 The effect of the decision.

The resulting 10 year contract will generate a net income to the Council over the contract term. An income target is included in the budget of Croydon Digital Service (which sits within Resources directorate) for digital advertising

5.3 Risk

The risks outlined in the strategy plan have been updated.

Option No.	Option	Main benefits/ risks	Decision
1	Do nothing	<ul style="list-style-type: none"> • The Council would be without a supplier for street furniture and bus shelters • The Council would be without an income stream from the Concession 	Not advised.

2	Deliver in-house	<ul style="list-style-type: none"> • The Council does not have the internal capacity to deliver the necessary requirements. • The Council would be without an income stream from the Concession 	Not advised. A tender was undertaken to mitigate the risk
3	Extend the contract with the current supplier	<ul style="list-style-type: none"> • This would mean not capitalising on the current market conditions where there are a number of suppliers competing for similar opportunities • Reduces the risk of operational continuity 	Not advised except for a short term extension to cover any transition period
4	Tender the Concessionaire opportunity via the market	<ul style="list-style-type: none"> • Tender the Concession to suppliers • This will give the Council most economic advantage through being an open market offer 	The recommended option has been followed

5.4 Options

Procurement options were set out at pre-tender strategy stage with the recommended approach. The approved option was an Open concession tender and there has been no departure from this.

5.5 Future savings/efficiencies

This will provide income to the council.

Approved by: Ian Geary, Head of Finance Resources and Accountancy

6. LEGAL CONSIDERATIONS

- 6.1 The Director of Law and Governance comments that there are no additional legal considerations arising from this report.

Approved by: Sean Murphy, Director of Law and Governance and Deputy Monitoring Officer

7. HUMAN RESOURCES IMPACT

- 7.1 There are no issues arising from this report for LBC employees

Approved by: Gillian Bevan on behalf of the Director of Human Resources

8. EQUALITIES IMPACT

- 8.1 A detailed / full Equality Analysis has not been undertaken for the following reason(s):

The change will not have a disproportionate impact on some protected groups compared to non-protected groups. The availability of slots for the Council provides the opportunity for the Council to promote positive messages for protected groups.

This is a scheme to implement advertising infrastructure. This will give us contract management over a wide range of advertising formats allowing us to control content and ensure there is no discriminatory messaging.

The council already has contract management arrangements in place for some on-street advertising and through this can show the lack of impact on specific groups. It already has protocols in place to look at content that it applies to its own channels.

As part of the transition strategy and identification of new street furniture opportunities, the Council will review and update the initial equality analysis to determine whether more detailed analysis is required, either for specific assets, sites, asset types or more generally.

All advertising must meet the Advertising Standards Authority codes and comply with the Consumer Protection from Unfair Trading Regulations 2008 or the Business Protection from Misleading Marketing Regulations 2008.

The codes and legislation cover a range of issues, for example, misleading advertising, harm or offence, children, privacy, environmental claims, gambling.

Section 16 of the ASA UK Code of Non-broadcast Advertising and Direct & Promotional Marketing states: Marketing communications must not: portray, condone or encourage gambling behavior that is socially irresponsible or could lead to financial, social or emotional harm... exploit the susceptibilities, aspirations, credulity, inexperience or lack of knowledge of children, young persons or other vulnerable persons.

Approved by: Yvonne Okiyo, Equalities Manager

9. ENVIRONMENTAL IMPACT

- 9.1 The National Planning Policy Framework (NPPF) places great importance on the design of the built environment and as such, is a key aspect of sustainable development. Paragraph 63 states that great weight should be given to “outstanding or innovative designs which help raise the standard of design more generally in an area”. In contrast, poor design should be refused where it fails to take opportunities to improve the character and quality of an area.

Poorly placed advertisements can have a negative impact on the appearance of the built and natural environment. Control over outdoor advertisements should be efficient, effective and simple in concept and should be subject to control only in the interests of amenity and public safety, taking account of cumulative impacts. Only advertisements which will clearly have an appreciable impact on a building or their surroundings should be subject to the local planning authority's detailed assessment. Policy UD5 (advertisements) in the council's unitary development plan (UDP) suggests that "advertisement hoardings and other forms of advertising will only be approved where they do not harm amenity or conflict with public safety". The policy states that "in appropriate locations, advertisements can enhance the vitality of an area", although warns against badly designed and poorly placed advertisements.

10. CRIME AND DISORDER REDUCTION IMPACT

- 10.1 None Identified. Note that the codes covering content of advertising include prohibition of any content which could condone or encourage criminal or anti-social behaviour.

The availability of slots for the Council provides the opportunity for the Council to promote positive messages.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 11.1 The preferred bid is identified as providing the most economic advantage to the Council. The solution meets requirements and the aspirations to be a digital council.

12. OPTIONS CONSIDERED AND REJECTED

- 12.1 The option to not award a contract is not viable as the current contract will expire without a replacement. Other procurement options were considered in the previously agreed strategy report. No other options were identified for consideration.

13. DATA PROTECTION IMPLICATIONS

- 13.1 **WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?**

NO

- 13.2 **HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?**

NO

Approved by: Neil Williams, Chief Digital Officer

CONTACT OFFICER:

Opama Khan Head of Digital Place
Opama.Khan@croydon.gov.uk

BACKGROUND PAPERS:

None

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

For General Release

REPORT TO:	Cabinet Member for Clean, Green Croydon
SUBJECT:	Household Reuse and Recycling Centre (HRRC) service delivery
LEAD OFFICER:	Steve Iles – Director of Public Realm
CABINET MEMBER:	Councillor Stuart Collins, Clean, Green Croydon Councillor Simon Hall, Finance and Resources
WARDS:	ALL

CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON:

The project contributes to delivery of the Corporate Plan 2018-2022 in a number of ways as outlined below:

The South London Waste Partnership (SLWP), with London Borough of Croydon as the contracting authority, has in place a contract with Veolia ES (UK) Limited to manage the operation of the six Household Reuse and Recycling Centres (HRRCs) within the SLWP area. Of the six sites, Sutton, Merton and Kingston each has a single site and there are three sites located in Croydon.

- **P10. Outcome: “People Live Long, Healthy, Happy and Independent Lives” and in what success looks like ‘support the development of a culture of healthy living’-.**
- **P16. Outcome: “Everyone feels safer in their home, street and neighborhoods”- .**
- **P18. Outcome: “A cleaner and more sustainable environment.**

FINANCIAL IMPACT:

The recommendation achieves an avoided partnership cost of £610,000 over five years when compared with the option of exiting the contract at the end of the current Initial Term in September 2022 and re-procuring the services.

The immediate financial impact of the recommendation to Croydon Council is an annual increase of £330,000 from April 2020 for the operation of the three HRRC facilities. Across the five years extended initial term (2020 to 2025) this is an additional £1.65 million for Croydon. However the recommendation provides an avoided cost of £185,000 when compared with the option to procure a new contract to commence in 2022.

The financial impact of the recommendation to also introduce LLW from 1st April 2021 increases this to £2.387 million for Croydon across the 5 year extension period 2020 – 2025.

KEY DECISION REFERENCE NO.: 3920CGC

The notice of the decision will specify that the decision may not be implemented until after 13.00 hours on the 6th working day following the day on which the decision was taken unless referred to the Scrutiny and Overview Committee.

The Leader of the Council has delegated to the nominated Cabinet Member decision the power to make the decisions set out in the recommendations below.

1. RECOMMENDATIONS

The Cabinet Member for Clean, Green Croydon in consultation with the Cabinet Member for Finance and Resources is recommended by the Contracts and Commissioning Board to:

- 1.1 Approve an extension by way of variation (with effect from 1st April 2020) under regulation 30.3 of the Tender and Contract Regulations) of the initial term of a contract with Veolia ES (UK) Limited for management of Household Reuse and Recycling Centres to 31st March 2025 for the new maximum value stated in part B of this report across the full term of the contract. For Croydon Council the maximum value (inclusive of LLW) of the 5 year variation is £2,387,000 (a 30.3% increase in value) and over the full 14 year term is £20.7m (a 31.5% increase in value).
- 1.2 Agree that, subject to approval of the recommendation above by each of the SWLP boroughs' executive committees, the final discussions and formal agreement with the incumbent being completed to the satisfaction of the SLWP Management Group and there being no material changes to the proposed solution beyond the scope set out in this report, the Chair of the SLWP Management Group, acting in consultation with the Chair of the Joint Waste Committee, the SLWP Management Group and the Legal Lead of the SLWP, be given authority for Croydon to agree the final contract variation and agree all necessary documentation to give it legal effect.

2. EXECUTIVE SUMMARY

- 2.1. This report sets out options for consideration by Cabinet with respect to the delivery of the Household Reuse and Recycling Centre (HRRC) service and recommends a contract variation (to include a 30 month extension of the initial term) of the current HRRC contract with the incumbent contractor. Of the options considered in this report, a contract variation with extension offers the greatest operational and strategic benefit for the services as well as having the likely lowest cost, and consequently this is the recommended option.
- 2.2. If agreed, the contract variation will take effect from 1st April 2020 for a period of 5 years, concluding on the 31st March 2025, with the option for further extension periods up to the current contractual Long Stop date of 15th September 2030 by mutual agreement.
- 2.3. The content of this report has been endorsed by the Contracts and Commissioning Board.

CCB ref. number	CCB Approval Date
CCB1603/20-21	25/08/2020

3. DETAIL

- 3.1. The SLWP, with London Borough of Croydon as the lead contracting authority, has in place a contract with Veolia ES (UK) Limited to manage the operation of the six Household Reuse and Recycling Centres (HRRCs) within the SLWP area. Of the six sites, Sutton, Merton and Kingston each has a single site and there are three sites located in Croydon.
- 3.2. Veolia commenced the HRRC services in October 2015 and the initial term of the contract runs until the 30th September 2022. There is an option to extend the contract by periods of up to 7 years by mutual consent, up to a Long Stop date of 15th September 2030.
- 3.3. Each borough pays a management fee for the operation of the six sites, and haulage costs for composting material, residual waste and rubble. The contractor is responsible for the recycling or disposal of all other materials collected and the contractor takes all the composition, volume and market pricing risks. The contractor may be subject to performance deductions if it fails to meet a 70% recycling target (calculated excluding rubble), in accordance with the payment mechanism.
- 3.4. In preparation for the natural expiry of the contract in September 2022, SLWP commenced a review of the HRRC contract in 2019 in order to plan for and recommend to boroughs how this service could be provided after 2022.
- 3.5. The current contract was procured at a time when recycling markets were performing well, a situation which has resulted in the boroughs securing a very competitive price for the services provided as well as protection from risks around price changes for recycling material. However, recycling markets have changed considerably in recent years, and the materials we collect typically have a much lower value now compared to at the time when the contract was let. This means that, looking ahead to the future delivery of the HRRC services, there is a significant risk of a much higher cost and risk needing to be borne by the partnership boroughs.
- 3.6. Following an appraisal of the four identified options for the future service provision, the recommendation is for the Cabinet to agree that the current contract should be varied so that Veolia continue with the management of the HRRCs until the 31st March 2025, with the terms outlined in this report.
- 3.7. Croydon Council are committed to introducing LLW at the earliest possible opportunity. This is an SLWP contract, and personnel employed through the contract are shared across six partnership sites in the four boroughs, meaning that all four boroughs need to be aligned in order for any decision regarding the introduction of LLW. Following a conversation across the Partnership boroughs to determine the earliest possible juncture that LLW could be applied. Subject to this variation with extension being agreed, boroughs have agreed that LLW will be applied from 1st April 2021 onwards. Officers have been tasked with producing a report by 30th November 2020 exploring options for mitigating the financial impacts associated with the introduction of LLW. This paper would be progressed via the SLWP Joint Waste Officer Board and the SLWP Strategic Management Group and if needed via Joint Waste Committee. The cost

mitigation paper will not alter the decision to implement of LLW on 1st April 2021. The LLW scenario modelled is a cautious forecast and so is likely to be lower when applied. SLWP have a number of operational initiatives with Veolia and these initiatives will result in further savings for boroughs and will help to mitigate these additional LLW costs.

- 3.8 The payment adjustment calculations have been completed on the basis that the variation with extension would commence on the 1st April 2020. Any resetting of this start date, reducing the length of the extension term, would increase the cost to the Partnership. As well as increasing the price, it is the view of the Partnership that delaying the proposed variation beyond the 1st April 2020 start date would also require the parties to repeat the payment adjustment calculation process. This further delay would mean that the partnership may have insufficient time to reprocure a replacement contract to be in place by 2022 if a new agreement could not be reached.

4. OPTIONS APPRAISAL

- 4.1. The review of the Household Reuse and Recycling Centre contract has considered the following four options:

Option 1 – Agree a variation of the contract, with extension, with the Incumbent,
Option 2 – Commence Re-procurement of the Service (spring 2020),
Option 3 – Bring the Service in-house at the current expiry date Sept 2022, or
Option 4 – Do Nothing

- 4.2. The SLWP has considered the operational, strategic and financial implications of each of these options and commissioned independent advice on this work. This work is set out in detail in Appendix 1, within the Part B section of this report.

- 4.3. Operational review - the operational review of the service has taken into account the current service performance, as well as wider SLWP borough assets (used to deliver other elements of the boroughs' waste services) and the potential future configuration of these assets, including the HRRC sites, depots, and waste transfer sites. There are also some key challenges associated with the boroughs' 'shared sites'. These are sites where multiple functions are in operation, e.g. a HRRC and a Waste Transfer Station operate at the same location.

- 4.4. Strategic - the strategic review of each option appraised considered the impact of the operational challenges and risks referred to above and some potential measures to manage these challenges and risks. The strategic review also considered the potential synergies and efficiencies that could be achieved by aligning all SLWP contract end dates. The strategic analysis highlighted that harmonising the contract dates could also be beneficial in allowing future flexibility in procurement options, designing optimum service packages, and a reduction in reprocurement costs.

- 4.5. Financial - the SLWP review considered the financial implications of each of the four options. The incumbent contractor was approached in order to establish the appetite for an extension, and the terms under which an extension might be possible for all parties. The new procurement option produced a 'shadow bid' (a

full and detailed market appraisal of the current cost of the service, as if a private sector bid, but without a formal procurement) and considered the current commercial appetite for HRRC services as well as the flux, uncertainty and downward trend in recycling markets. The option to bring the service in-house considered our relatively recent in-house operation of the service, the challenges and lessons learned. The option to 'do nothing' - essentially to wait and see if market conditions improve - would mean that SLWP would lose some of the existing opportunities explored in this report (ie re-procuring with enough time to mobilise a new service effectively by September 2022, or being able to provide the incumbent with improved terms for the remaining period in return for extension provisions that are acceptable to the SLWP) thereby losing a key negotiating mechanism for the extension. The option to 'do nothing' would mean we have to return to options 1 and 3, but with less time, and so is deemed to have the highest risk.

5. BENEFITS OF THE RECOMMENDED OPTION 1 - CONTRACT VARIATION WITH EXTENSION

- 5.1. The benefits identified by the analysis and which supports the recommendation for option 1 are summarised below.
- 5.2. Finance - Option 1 provides the best long term financial proposal. Whilst the extension initially increases the current annual cost from April 2020, it is important to analyse the potential impact of a new procurement and also the longer term financial impact. A 'shadow bid' was produced and returned a considerably higher cost when compared to the extension option. A further financial review then analysed a 5 year period for each option, the results of which demonstrate that the extension option provides the best long term financial proposal.
- 5.3. Strategic fit - Option 1 provides the best strategic fit. Harmonising the contract end dates between various SLWP services would be beneficial as it would allow the completion of the current review of borough assets and then, following the completion of this review, will allow the SLWP to align partnership assets, giving us maximum flexibility in planning for HRRC, garden and food waste receipt, bulking and recycling services.
- 5.4. The additional extension period up to the 31st March 2025 would mean that contracts relating to waste transfer stations and HRRCs belonging to the SLWP boroughs could be co-terminus and available for use and potential re-letting at the same time. This would enable maximum flexibility when reviewing how we deliver services and how we utilise our sites, ensuring that any resultant procurement is attractive to the market, creates the best possible competitive tension, and ensures we have a robust, cost effective, and future proof solution for these essential services.
- 5.5. Operationally - Option 1 avoids a number of transitional challenges and risks identified by the appraisal.
- 5.6. Added benefit and social value - the Fishers Farm Reuse shop included in the extension proposal will enable customers to purchase reuse items collected from all 6 SLWP HRRC sites. The shop will also sell reconditioned items such as bikes and scooters.

6. TIMESCALES & MOBILISATION

- 6.1. An Option 1 draft heads of terms and associated documentation has been agreed in principle by the respective parties subject to Joint Waste Board and Committee approval.
- 6.2. Subject to each partner borough executive's approval of the recommendations within this report, the contract variation will be applied from the date of 1st April 2020
- 6.3. The indicative timetable leading to formalising the contract variation is as follows:

Formalisation of documentation	Feb 2020
Borough Executive Approvals for extension	Jan – July 2020
Contract Signing	August 2020
Contract Variation in effect	The variation will be applied from 1 st April 2020

7. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 7.1. This report is for the variation of the initial term, with Veolia ES (UK) Limited to continue with the management of Household Reuse and Recycling Centres until the 31st March 2025
- 7.2. **Revenue and Capital consequences of report recommendations are detailed in Part B**
- 7.3. **The effect of the decision.** The contract award commits the Council to contract expenditure as detailed in Part B
- 7.4 **Risks**

Of the risks outlined in the SLWP strategy plan, those below still remain:

Risk	Mitigations
The recycling market is currently in flux, meaning that the HRRC services will be risk priced. The recommended variation will extend the contract until 2025, but there is no certainty as to whether markets will be less volatile or would have improved by 2025.	The recommended variation maintains the ability to extend the contract again up until the Long Stop Date in 2030.

7.5 **Future savings/efficiencies**

The variation with extension of the current HRRC contract until 2025 should provide strategic efficiencies. The variation with extension will allow the review of borough assets currently underway to be completed, providing clear direction on facilities and red boundaries available for any future procurement. The additional extension period up to the 31st March 2025 would also mean that contracts relating to waste transfer stations and HRRCs belonging to the SLWP boroughs could be co-terminus and available for use and potential re-letting at the same time. This would enable maximum flexibility when reviewing how we deliver collections, HRRC, green, food and recycling services and how we utilise our sites, ensuring that any resultant procurement is attractive to the market, creates the best possible competitive tension, and ensures we have a robust, cost effective, and future proof solution for these essential services.

Approved by Felicia Wright, Head of Finance - Place

8 **LEGAL CONSIDERATIONS**

- 8.1 The Director of Law and Governance comments that there is a possibility of legal challenge to the award of a variation if it does not fall within one of the permitted circumstances provided for in Regulation 72 of the Public Contracts Regulations 2015 (PCR). It is considered that Regulation 72(1) (c) provides for the circumstances of this variation:

'72(1) (c) where all of the following conditions are fulfilled:—

- (i) the need for modification has been brought about by circumstances which a diligent contracting authority could not have foreseen;*
- (ii) the modification does not alter the overall nature of the contract;*
- (iii) any increase in price does not exceed 50% of the value of the original contract or framework agreement'*

As stated in this report there have been significant unforeseen changes in the recycles market which have had a financial impact on service provision. Where regulation 72(1)(c) is relied upon to effect a variation, a notice is required to be published in accordance with Regulation 72(3).

Approved by: Sean Murphy, Director of Law and Governance

9 **HUMAN RESOURCES IMPACT**

- 9.1 There are no human resources impact from this report if the recommendation is approved, the requirements will stay under our sourced contract. If any HR issues arise these will be managed under the Council's Policies and Procedures.

Approved by Jennifer Sankar, Head of HR Place, for and on behalf of Sue Moorman, Director of Human Resources

10 **EQUALITIES IMPACT**

- 10.1 There are no equalities implications arising directly from the recommendation set out in this report.

11 ENVIRONMENTAL IMPACT

- 11.1 The new services will continue to deliver environmental benefits by sustaining a high level of diversion from landfill through enforcement of an agreed recycling target, continued minimisation of rubble and hardcore (DIY) waste materials arriving at sites, and enhanced reuse initiatives at Fishers Farm which will result in more materials suitable for repair and potential being sold as reuse items and subsequently being diverted from landfill disposal.

12 CRIME AND DISORDER REDUCTION IMPACT

- 12.1 The Contractor will work with the Council on the impact of this from their designed proposals as part of the Contract.

13 REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 13.1 Option 1, variation (of the initial term) with Veolia ES (UK) Limited to continue with the management of Household Reuse and Recycling Centres until the 31st March 2025 is recommended based on the options appraisal analysis undertaken by the South London Waste Partnership and the financial, operational and strategic reasons outlined in the SLWP options appraisal, detailed above.

14 OPTIONS CONSIDERED AND REJECTED

- 14.1 As detailed above in part 4.

CONTACT OFFICER:

Name:	Tom Lawrence
Post title:	Head of Environmental Services
Telephone number:	x52520

BACKGROUND DOCUMENTS: None

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

Part A: For Publication

REPORT TO:	Cabinet Member for Leisure & Sport
SUBJECT:	Library Book Stock
LEAD OFFICER:	Paula Murray, Creative Director - Culture
CABINET MEMBER:	Cllr Oliver Lewis- Cabinet Member for Culture, Leisure and Sport
WARDS:	ALL

CORPORATE PRIORITY/POLICY CONTEXT/ AMBITIOUS FOR CROYDON

The Administration's 2018 manifesto and the Corporate Plan 2018-22 sets out the overarching ambitions for the Council to invest in the Borough's facilities, to ensure better usage of Libraries as a community asset. Knowing that a successful culture offering is an important part of a healthy Borough and a great driver for the economy. As a result the Council has identified its Libraries as community hubs and aims to further invest in them as part of its growth ambition; to serve and connect local residents and all communities; providing information, services, cultural and creative enrichment.

Successful Libraries play a vital role in promoting health & wellbeing, supporting people into work increasing educational attainment, bringing individuals and communities together and celebrating creativity and culture.

Croydon libraries are well utilised with over 1.7 million visits to libraries each year. The library service plans builds on this through offering the latest publications and subjects of books for both Adults and Children.

The proposed contract award supports the requirements for the service to deliver on key ambitions highlighted in the Libraries plan 2019-28, the 2018 manifesto and the Councils 'Ambitious for Croydon 2018-22', Section 10.7, the Council will 'invest in our libraries and grow the book fund'.

This report sets out the Council's ambitions to grow the book fund and to improve the supply across all thirteen Croydon libraries by entering into a new contract for the supply of books and audio visual material.

FINANCIAL IMPACT

The total contract value estimated for Adult and Children's books and Audio Visual Materials is stated in Part B report, for the initial term of the 1st August 2020 – 31st March 2022 plus a 2 year extension option up until the 31st March 2024.

Annual savings of approximately £8000 are projected through this contract against the existing contract, due to a favourable increase in discounts.

FORWARD PLAN KEY DECISION REFERENCE NO: 3120CLS

The decision may be implemented from 1300 hours on the 6th working day after the decision is made, unless the decision is referred to the Scrutiny & Overview Committee by the requisite number of Councillors.

The Leader of the Council has delegated to the Cabinet Member for Leisure & Sport in consultation with the Cabinet Member for Finance and Resources the power to make the decisions set out in the recommendations below:

1. RECOMMENDATIONS

- 1.1 The Cabinet Member for Leisure & Sport in consultation with the Cabinet Member for Finance and Resources, is recommended by the Contracts and Commissioning Board to approve the direct award of a contract for the supply of Library Books and Audio Visual Materials is to be awarded for an initial period of 20 months for the period 1st August 2020 – 31st March 2022 with an option to extend for up to a further two years for the value set out in Part B of this report
- 1.2 To note the waiver approved by the Chair of CCB under regulation 19.2 of the Council's Tender and Contract regulations in respect of the requirement for a procurement strategy report.

2 EXECUTIVE SUMMARY

- 2.1 The current arrangement for the provision of Library book stock for 13 libraries was established for a period of 12 months from 1 April 2019 to 31 March 2020 as per the agreed Framework let by the London Borough of Redbridge – Supply and Servicing of Library Acquisitions, OJEU Contract Notice REF 2015/S 198-358978.
- 2.2 The contract expired on the 31st March 2020 it was noted as a recommendation on the approved strategy CCB1413/18-19 Date: 24/10/2018 this would present an opportunity for the Council to review options in 2020.
- 2.3 The purpose of this report is to recommend the direct award of a contract under a single provider Framework Agreement, for the provision of Library books and audio visual material for an initial term of 20 months until the 31st March 2022, with the option to extend up to a further two years until 31st March 2024. Details of the Framework Agreement is outlined in Part B of the report.
- 2.4 The contents of this report has been endorsed by the Contracts and Commissioning Board

CCB ref. number	CCB Approval Date
CCB1595/20-21	28/07/2020

3 DETAIL

Background

- 3.1 The current Contract for book supplies ended on 31 March 2020. A procurement strategy CCB1413/18-19 Date: 24/10/2018 agreed by the Contracts and Commissioning Board to utilise a framework in place with the London Borough of Redbridge to purchase books from two lots; Lot 1 Adult books and Lot 2 Children books.
- 3.2 It was noted in the procurement strategy that the call-off with Redbridge framework was to expire on 31 March 2020. The decision to award for a period of 12 months was to allow the Council to review its options in 2020 at which point it was predicted there would be opportunities to join new collaboration arrangements and make use of new frameworks.
- 3.3 Market intelligence reveals the Library services market in the UK has been shrinking in particular for the supply of books, no recent new entrants and a number of mergers taken place. This has resulted in there now being only two main providers of Adult Fiction and Adult Non-Fiction who also supply Children's books.
- 3.4 The results of the above consideration followed from a market engagement exercise carried out in September 2018, revealed exploration of various procurement options available to the Council for purchasing book stock.
- 3.5 In addition to this, a benchmarking exercise was undertaken to assess discount rates available in the market. The analysis identifies the selected Framework Agreement as the best placed procurement option.

Procurement

- 3.6 The project team considered the following options for this procurement as set out in the table below:

Table 1	Options	Benefits	Drawbacks
1.	Tender the Opportunity via an Open Tender Procedure.	<ul style="list-style-type: none"> • Opportunity to undertake market engagement to review supplier capability and to assist with shaping the tender documents. • Engage with interested organisations to apply best practice method and approach for supply of Library book stock. • Use in-house skills to develop tailored specification and open tender process to procure best price and appropriate quality to fulfil and exceed requirements. • Have the opportunity to procure local and meet social value for the Council and local community. 	<ul style="list-style-type: none"> • Current contract expires 31st March 2020, for time to review all options, the open tender process would not allow a Contract to be in place by 1st April 2020. • Council may receive higher priced proposals and / or lack of competitive tender responses due to the requirements for specialist providers to take on additional risks, liabilities and low volumes. In addition the Council are unlikely to receive the same level of discounts that will be available through a framework due to the economies of scale. • Existence of national / regional frameworks mean that the Council is unlikely to achieve discount levels that have been offered through collaborative purchasing arrangements. • Market interest may be low as suppliers can secure business through existing frameworks and standalone short-term contract may be less attractive. • Only a handful of suppliers in the market to supply Library book stock. The Council would not benefit with rates of discount currently received or would expect as the Council would not have the volumes in place.
2.	Extension of current Contract.	<ul style="list-style-type: none"> • Utilise the existing contracts to deliver the requirements. Service from existing suppliers deemed good. • Continuation of favoured procurement rates as Contract called off a Framework resulting in increase in buying power and specialist product / service knowledge. • Time saving as Contracts already established. 	<ul style="list-style-type: none"> • Current contract expires on 31 March 2020. The Contract called off in its final year of the Redbridge Framework - Supply and Servicing of Library Acquisitions, OJEU Contract Notice REF 2015/S 198-358978 with no further options to extend.

		<ul style="list-style-type: none"> Robust Contract Management approach can be applied with selected providers. 	
3.	<p>Use of National Frameworks</p> <p>ESPO - 376E_16 Books, E-Books and the Related Materials</p>	<ul style="list-style-type: none"> Mini- competition with multiple national suppliers to ensure VFM. Direct award available with selected supplier. Pre-checks on suitability already carried out. Pre-agreed Terms & Conditions avoiding internal lengthy legal process and cost to project. Leading market providers signed up to the Framework as already assessed for experience technical and professional ability. Support provided by Framework provider on aspects of the tendering and process. 	<ul style="list-style-type: none"> Framework is available and more suitable for schools and requirement is typically straight forward printed material. Covers direct award and further competition. Discounts are available as printed on the guide, however this framework would not be suitable for Library book stock as the Framework 376F – Library stock with ESPO has been set up. A requirement for procurement and legal team to review the framework related documents to determine the Council eligibility to access the framework in accordance with PCR 2015. <p>Option not recommended</p>
4.	<p>Use of National Frameworks</p> <p>ESPO - 376F – Library Stock</p>	<ul style="list-style-type: none"> Mini- competition only with the five main suppliers in the market two of which are incumbent suppliers to Croydon. Pre-checks on suitability already carried out. The leading market providers signed up to the Framework and already assessed for experience technical and professional ability. Framework suitable for Library requirements as these books are delivered in volume requirement, shelf stock prepared to include servicing aspects such as the book jacket, barcodes, labelling and specific library requirements. The offering is value for money as suppliers have specialist Librarian service to assist with guidance on stock variety in the Libraries and can work alongside the Library book stock budgets. Pre-agreed Terms & Conditions avoiding internal lengthy legal process and cost to project. 	<ul style="list-style-type: none"> Pricing information to is not available on this Framework and can only be made available by undertaking further competition procurement only. The benchmark discount is based on the industry average as advised by Framework Manager. These identified discounts would be reliant on the publication at the time as a result would not be fixed. A requirement for procurement and legal team to review the framework related documents to determine the Council eligibility to access the framework in accordance with PCR 2015. <p>Option not recommended</p>

5.	Recommended framework Agreement (details in Part B)	<ul style="list-style-type: none"> The Framework has been recently established and begins a new contract period on 1 April 2020 for 2 years + 2. The Framework operates under four lots and supplied by a single supplier. The overall purchasing power of this Public Sector consortium, which consists of 58 Local Authority members. The total forecast spend is considered one of the largest consortia and thus achieve best value through economies. Discounts offered across the cost of goods, servicing and delivery. Robust Contract Management approach can be applied with one lead provider. The overall management of the Framework and Performance is transferred to the Lead Authority in partnership with Members. 	<ul style="list-style-type: none"> Depending on the level of membership a 1% management fee is payable on the total quarterly spend. Participating members would need to contribute to the cost of two meetings per year, per delegate and per authority. Following the initial term of two years with the possibility of extension up to four years. Supplier has been provided with the opportunity to re-negotiate the terms after two years. During this stage terms of Framework will be subject for review. <p>Recommended Option</p>
----	---	---	---

3.7 The preferred option is to direct award from a Framework Agreement, of which details can be found in Part B report. The decision to not identify the recommended Framework Agreement in this report, is due to it being a single provider Framework and to reduce the risk of disclosure prior to an award decision.

3.8 To ensure that the Supplier can meet the Council's requirements and discounts under the Framework could be offered, the Council sent a non-binding request to the Supplier under the recommended Framework Agreement, setting out the details of goods and services required from our library service as follows;

- Delivery of books to the libraries as required
- Provision of a date label
- Provision of a bar code
- RFID Tag
- Spine labels for adult and children's non-fiction books; and for children's fiction in line with Appendix Protective jacket / sleeve
- Promotional material to publicise new books
- In response to the latest COVID19 pandemic, request for a business continuity plan detailing any appropriate strategy and procedures to manage and maintain service delivery during this challenging and unforeseen event.
- Details of any exclusions
- Support and deliver on social value priorities
- Participation in Premier Supplier Programme (PSP)

- 3.9 In accordance with regulation 9.1 of the Tenders and Contracts Regulations, the Supplier submitted a tender response document via the Council's e-tendering portal to confirm that they can meet the Council's requirements and that charges and discounts are to be calculated in line with the Framework Price Schedule.
- 3.10 For the Council to call off the Framework and to assist with the ordering process, a full review of the framework has been undertaken to establish an appropriate contract arrangement and suitability for Croydon.
- 3.11 The contract will operate on the basis of no guarantee of volume or spend.
- 3.12 Social value initiatives identified in the overarching framework to be delivered by the appointed supplier focuses on three aspects:
- The supplier is required to provide evidence that they are implementing working practices which support local authority waste management targets and objectives, demonstrating that a robust waste management policy is implemented.
 - The supplier is required to provide evidence that when delivering, sustainable transport is used more and number of miles travelled reduced, reducing carbon footprint for all deliveries.
 - The supplier is required to demonstrate that transport used will contribute to reduced NOx emissions.
 - In addition to the above, the supplier intends to use a carrier company that operate a fleet of modern fuel-efficient vehicles, including hybrid and electric vehicles for deliveries in areas such as London.
- 3.13 The supplier declined to take part in PSP as this requirement was not in scope of the Framework.

Price and contract terms

- 3.14 As a result of adhering to a five year signed confidentially agreement, rates have not been advised in this report avoiding disclosure as far as possible. Information about the relevant discounts under the Framework Agreement is outlined in Part B of the report.

Contract Management

- 3.15 Contract management including the day to day relationship and instructions will be managed by the Library Service. The Library Service will be responsible for placing orders, instructions, budget management, monitoring and performance in addition to maintaining relations with the customer account manager.
- 3.16 The Framework Manager shall monitor the framework agreement and will be responsible for organising review meetings, review and address escalated operational matters, performance issues, new developments and products.

3.17 The following risks have been identified and will be monitored and overseen by the service team through contract management

Table 2. Risk and Mitigation

Risks	Possibility	Impact	Mitigations
Performance issues relating to late or non-supply of ordered stock.	Low	Medium	Robust contract management provided by the Framework Manager; quarterly feedback; in addition Contract management practice applied by Library service to manage the performance and review of book supply on an agreed frequency.
Choice of mainstream book stock available does not meet service requirements.	Low	Medium	Stock selectors can raise issues via contract management procedures; preferred supplier is an existing supplier to Croydon with proven record of stock supply.
The supplier fails to supply ordered stock.	Low	High	Preferred supplier is part of larger wholesale book distribution group as a result agreed specification and key performance indicators in place as part of the Framework. Volume procured through one source, the Council to ensure requirements and management of the Contract is in place for contingencies.
Failure to supply book stock due to COVID-19 Pandemic	Medium	Medium	Provision of Business Continuity Plan to be provided upon mobilisation, detailing appropriate strategy and procedures in place to manage and maintain service delivery during a challenging and unforeseen event.

4 CONSULTATION

4.1 A library user survey was carried out between February and June 2018 to get feedback on what books users would like within their libraries. The results of this has meant that when the Council purchases books it is meeting what residents/users have suggested.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1 Revenue and Capital consequences of report recommendations

Please see the Part B report.

5.2 The effect of the decision

Please see the Part B report.

5.3 Risks

There are no significant financial risks at this time. If budgets are reduced in future years, there will need to be an assessment to ensure that any future extensions remain affordable.

5.4 Options

No other options are being considered.

5.5 Future savings/efficiencies

Annual savings of approximately £8000 are projected through this contract under the recommended Framework against the existing contract, due to a favourable increase in discounts.

Approved by: Felicia Wright, Head of Finance-Place

6 LEGAL CONSIDERATIONS

6.1 There are no additional legal considerations directly arising from this report

Approved by: Sonia Likhari on behalf of the Director of Law and Governance & Deputy Monitoring Officer

7 HUMAN RESOURCES IMPACT

7.1 There are no HR impacts resulting from the award of this contract.

Approved by: Jennifer Sankar, Head of HR Place, for and on behalf of Sue Moorman, HR Director.

8 EQUALITIES IMPACT

8.1 The recommendations from this report will not have a disproportionate impact on people that share one or more protected characteristics. An equality analysis has been undertaken for the wider Library Service strategy which encompasses the whole service.

8.2 This concluded the proposed changes in the library plan will not have any negative impact on groups that share protected characteristics (compared to non-protected groups). It also identified a range of positive impacts the potential change will have for groups that share protected characteristics such as increasing the number of physical and digital books and resources available, improved access via consortium stock to other formats, (boosting existing collections of large print and spoken word); improved signposting to specialist services, e.g. RNIB Braille collections, improved access to stock in other languages (and dual-language materials) via consortium

stock and current LGBTQ stock will be boosted by access to additional consortium stock.

- 8.3 A full needs analysis has been carried out in the development of the library plan and detailed in the Red-Quadrant report.

Approved by Yvonne Okiyo, Equalities Manager

9 ENVIRONMENTAL IMPACT

- 9.1 As part of the Framework Agreement, the Supplier endeavours to manage environmental matters. The Supplier intends to use materials for goods whose manufacture, use and disposal have the least harmful impact on the environment. Environmentally friendly, recyclable or reusable wherever possible.
- 9.2 All packaging and containers used in the delivery of the goods shall be environmentally friendly, recyclable or reusable wherever possible.

10 CRIME AND DISORDER REDUCTION IMPACT

- 10.1 This report does not have any implications on crime and disorder.

11 REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 11.1 Following the completion of the tender evaluation process, it is recommended to direct award to a supplier under a compliant Framework Agreement.
- 11.2 The recommendation to award this contract is based on the evaluation and selection of the Framework Agreement deemed to be the most economically advantageous solution at this time with savings of up to £8000 projected per annum.

12 OPTIONS CONSIDERED AND REJECTED

- 12.1 The Council reviewed its options to join new collaboration arrangements and make use of new frameworks in time for the current contract expiry. The options explored have been presented in the options analysis exhibited in section 3.6 above.

13 DATA PROTECTION IMPLICATIONS

- 13.1 There are no data protection implications.

Approved by: Paula Murray, Creative Director - Culture

CONTACT OFFICER:

Name	Richard Pearce
Post title	Library Buildings and Systems Manager
Telephone number	020 7884 5150 / 07714 778057

BACKGROUND PAPERS: None

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

For Publication

For General Release

REPORT TO:	Cabinet Member for Families, Health and Social Care
SUBJECT:	Direct award of the Third Sector Community Support contracts
LEAD OFFICER:	Guy Van Dichele Executive Director, Health Wellbeing and Adults
CABINET MEMBER:	Councillor Janet Campbell, Cabinet Member for Families, Health and Social Care
WARDS:	All

CORPORATE PRIORITY/POLICY CONTEXT/ AMBITIOUS FOR CROYDON

1. The Care Act 2014 set out the responsibilities of local authorities to ensure that people have access to a wider range of services to improve individuals' wellbeing and give them more control and personal choice over their care. More specifically **Care Act 2014** identifies the Local Authority's responsibility to ensure services are commissioned that promote wellbeing principles This includes
 - I. (Part 1, section 1):
 - (b) physical and mental health and emotional well-being;
 - (e) participation in work, education, training or recreation;
 - II. As well as (Care Act 2014, Part 1, Section 4) providing information and advice.
2. The extension of these contracts will fall in line with **Croydon's Community Strategy** and the priorities which have been set:

PLACE – Making Croydon a great place to learn, work and live

Priority 3 – The contracts look at service users exploring their local community and taking advantage of what is available, supporting the local economy.

PEOPLE – Making Croydon a place of opportunity for everyone

Priority 1 – The contracts aim to reduce poverty and deprivation through access to employment and welfare benefits advice.

Priority 2 – They aim to support individuals and families with complex needs through befriending, counselling, user group access and advice centres.

Priority 3 – The welfare benefits advice contract helps individuals to manage their finances, which helps to prevent homelessness.

Priority 5 – The priority of improving health outcomes is met by all the contracts, as they look at supporting Mental Health users.

COMMUNITY – Making Croydon a vibrant and connected community and voluntary sector

Priority 1 – These contracts aim to build strong cohesive communities and connect residents to local groups. For instance there is a befriending service, which allows

service users to connect with new people and explore local groups and organisations on offer.

Priority 2 – These are all third sector contracts which tackle social isolation by providing access to Mental Health user groups, befriending services, drop in and self-help services.

3. All seven separate contracts will play an important role in helping Croydon achieve a number of different outcomes identified within the **Croydon Corporate Plan 2018-2022**. Specifically the key outcomes these contracts will support are:

Outcome 1: People live long, healthy, happy and Independent lives

- Reduces isolation and encourages social interaction.
- Help to address mental health issues for under 25's.
- Equality of access to education and the job market.
- Continued investments in our valued community voluntary sector.

Outcome 4: Everyone feels safe in their street, neighborhood and home

- Working with communities and supporting voluntary organisations to support young people to pursue new opportunities.

Outcome 6: Everybody has the opportunity to work and build their career

- Create opportunities by working with voluntary sector, to increase equality of access to work.

FINANCIAL IMPACT

For the purpose of determining the financial impact of an extension of all seven implied contracts for twelve months via a direct award, we have aggregated the value all seven contracts together; however it should be noted that these are separate and distinct contractual arrangements and, as such, are separate and distinct decisions.

The aggregated to date spend on all seven contracts, up to the 31 March 2020, is £4,353,767.03. Extension for an additional term of up to twelve months, from 1 April 2020 to 31 March 2021, will contribute an additional overall value of £644,058 and increase the aggregate value to £4,997,825.03 value.

There is no intention to increase contract rates for 2020/21, though any Covid-19 related increased expenditure will be considered separately and managed within current council resources

FORWARD PLAN KEY DECISION REFERENCE NO.: 4020FHSC

The notice of the decision will specify that the decision may not be implemented until after 13.00 hours on the 6th working day following the day on which the decision was taken unless referred to the Scrutiny and Overview Committee.

Key Decision (contracts with:

- Imagine at an aggregated value of £2,829,000
- Mind (Access to Employment) at an aggregated value of £1,002,5680

The Leader of the Council has delegated to the Cabinet Member for Families, Health, and Social Care in consultation with the Cabinet Member for Finance and Resources the power to make the decisions set out in the recommendations below:

1 RECOMMENDATIONS

- 1.1 The Cabinet Member for Families, Health and Social Care, in consultation with the Cabinet Member for Finance and Resources, is recommended by the Contracts and Commissioning Board to approve the direct award of the two contracts set out at table 1 in paragraph 3.6 for a period of 12 months, with maximum values as set out in the table.
- 1.2 To note the waiver approved by the Chair of CCB in respect of the requirements of Regulation 11.3 to undertake a formal tendering procedure for the contacts set out at table 1 in paragraph 3.6.

2. EXECUTIVE SUMMARY

- 2.1 The council has seven contracts with six voluntary sector providers, delivering employment support, benefits advice, and befriending and counselling for residents with learning disabilities and mental health needs. The services covered within the seven contracts support residents' independence and wellbeing. The Community Support and Active Lives (CS&AL) team within Commissioning and Procurement will lead on conducting a contract review which will explore in depth whether these long-running services are producing their intended outcomes, and whether or not they represent value for money. The services were commissioned at various separate points over the last twelve years and it possible therefore there is some crossover with services delivered by other voluntary sector providers and directly by the council.
- 2.2 It is recommended that the contracts are reviewed and considered alongside borough-wide provision such as the council's employment and welfare support offer. The council is also working closely with the NHS Croydon Clinical Commissioning Group (CCG) on the mental health community offer for residents. To enable a full service review and to develop commissioning intentions, an extension of these implied contracts by way of direct award to the six community-based providers is required for a term of up to twelve months, from 1 April 2020 to 31 March 2021.
- 2.3 It is to be noted that the seven contracts listed in paragraph 3.6 have been included in one report for transparency purposes but they are each separate and distinct contracts. Those listed in table 1 are within Cabinet Member remit to approve, those listed in table 2 are within CCB remit to approve and the one contract in table 3 will be approved under Director delegated authority.
- 2.4 The requested twelve month extension will enable the contracts to be reviewed and a procurement exercise to be conducted, if appropriate. It

would also allow the employment and welfare offer across Croydon to be considered holistically for the first time, exploring links with Croydon Adult Learning and Training (CALAT) and other services. A thorough service review is proposed, with findings and commissioning options presented to CCB in early August 2020. The service review has been authorised by Guy Van Dichele, the Executive Director of Health, Wellbeing and Adults (HWA).

- 2.5 The proposed contract review would be scheduled for completion by the end of July 2020, with a view to an RP1 being presented to CCB in early August.
- 2.6 The timeline for re-procurement activity would run from late summer 2020 to early spring 2021, with any new services commissioned commencing 1 April 2021.
- 2.7 The content of this report has been endorsed by the Contracts and Commissioning Board.

CCB ref. number	CCB Approval Date
CCB1597/20-21	05/08/2020

3. DETAIL

Background

- 3.1 The Council has demonstrated a strong commitment to the voluntary sector despite a challenging financial environment over the last ten years. Via the Community Fund and other contracts and grants, Croydon's voluntary sector has been commissioned to deliver a variety of services to support residents' independence and wellbeing. During this time Council functions such as Gateway and CALAT have also sought to support our more vulnerable residents, and the CCG also funds the voluntary sector for services in this area.
- 3.2 To ensure services are cohesive and represent value for money, these associated services can be evaluated collectively rather than as standalone services; particularly those relating to welfare and employment. Therefore, a service review for the seven contracts that have been "rolling over" for a number of years and have a presumed end date of 31 March 2020 is proposed as the best option for measuring impact and effect. This review process is scheduled for completion by end of July 2020, when options will be considered in conjunction with Members, the CCG and other partners will be made about future delivery.
- 3.3 Following the completion of service reviews, a 'sprint' session will be arranged for members of HWA, CCG, Commissioning and Procurement and SLAM. On completion of the sprint session, a commissioning plan will be drawn up to be approved by CCB via an RP1 report.

Extension by direct award

- 3.4 The summary of each contract, start date, annual contract value and aggregated value to date can be seen in paragraph 3.6 below. There is no evidence indicating any of the contracts listed in paragraph 3.6 were competitively procured or taken through CCB or an equivalent board. We have located physical contracts/ SLA's for the majority of the seven listed above but all have expired and we currently only have two which are signed copies. Due to the absence of contractual documentation, it is not possible to evidence and confirm the original planned contract length or value. As a result, we cannot determine conclusively if some/all extensions exceed 25% of original contract value. Given the length of the time the contracts have been 'rolled over' for however, it is likely that the contracts have exceed their individual values by more than 25%. Given the current context, a direct award of seven new contracts effecting an extension of the current services for a period of twelve months is the recommended option. It is recommended that this twelve month extension via direct award is approved to facilitate the service review, a scoping of partnership working options and the development of an appropriate commissioning strategy.
- 3.5 In terms of our contractual arrangements with one of the six providers, Imagine; six separate locality-based services were commissioned historically however it is not certain if this was all at once or at different points in time. For that reason, and given the similarity between these services, we have treated them as one combined contractual arrangement for the purposes of this report and its proposed strategy. The aggregate value of the Imagine contract to 31 March 2020 is £2,583,000 and the proposed extension of the services for 12 months via direct award would take that value to £2,829,000.

3.6 List of third Sector Community Support contracts

Table 1

Contract Title	Name of Supplier	Annual contract value	Start date	Aggregated value to date	Value for 12 month	Aggregated value with extension
6 contracts relating to: Mental Health Befriending, Volunteering and self-help services	Imagine	£246,000	19/10/2009	£2,583,000	£246,000	£2,829,000
Access to employment Support (MH) (Additional payment of £35,539 per annum from September 2017)	MIND	£115,374	01/04/2010	£886,804	£115,374	£1,002,568

Table 2

Contract Title	Name of Supplier	Annual contract value	Start date	Aggregated value to date	Value for 12 month	Aggregated value with extension
Croydon Mencap – Working with learning disabilities	Mencap	£57,552	01/04/2018	£115,104	£57,552	£172,656
Mental Health Drop in and self help	APCMH	£26,000	01/04/2010	£260,000	£26,000	£286,000
Welfare Benefits Advice*	MIND	£123,827	01/09/2017	£313,933	£123,827	£347,760
Access to employment (MH)*	Status Employment	£70,250	01/09/2017	£181,479	£70,250	£251,729

Table 3

Contract Title	Name of Supplier	Annual contract value	Start date	Aggregated value to date	Value for 12 month	Aggregated value with extension
Bereavement counselling*	Cruse	£5,055	01/09/2017	£13,059	£5,055	£18,114

* In October 2017 the Council took over commissioning service following funding withdrawal from CCG.

- 3.7 In addition to the lack of a record of CCB ratification, it appears there was no contract management framework in place for these services. However the proposed approach of the direct award will enable CS&AL team to monitor and measure the service outputs and outcomes in a way we have not been able to thus far. The CS&AL team has already started regular engagement with these providers. The team now has dedicated contract management resource within it and can implement a good contract and quality assurance framework.

4. CONSULTATION

- 4.1 Consultation with users will be a key element of the contract review process for the seven contracts. The six voluntary sector organisations will also be key contributors in the review process. Internally, HWA, Commissioning and Procurement will engage with SLAM and CCG colleagues throughout this process. Commissioning colleagues from CCG have endorsed the proposed extension period and service review process. More details about the consultation will be included in the RP1.
- 4.2 We have had access to a limited amount of recent feedback from users of some of the services; and from colleagues in SLAM and CVA also. Feedback has been positive and included some qualitative detail from the service user perspective. We have explored alternative delivery models with some of the

service providers and have evidence that providers are adapting and finding solutions to the challenges presented by Covid-19.

5. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

Revenue and Capital consequences of report recommendations

	2020/21	2021/22	2022/23
REVENUE	£	£	£
Budget	644,058	TBC	TBC
Expenditure	644,058	TBC	TBC

The effect of the decision

- 5.1 As stated within the financial impact above, for the purpose of determining the financial impact of a direct award for all seven contracts we have aggregated them together; however it should be noted that these are separate and distinct contracts and services. The estimated aggregated spend for all seven contracts to the 31 March 2020 is £4,353,767.44. Extension by way of direct award for an additional term of up to twelve months, from 1 April 2020 to 31 March 2021, will contribute an additional contract value of £644,058 and increase the aggregate value to an estimated £4,997,825.03.
- 5.2 The budgets for these services sit within Health Wellbeing and Adults, and Commissioning and Procurement, within the Resources department. Budgets have been allocated for these services in 2020/21.

Risks

- 5.3 There is a significant risk that sudden withdrawal of the services concerned would negatively impact on Croydon's ability to support service users in the community and could directly result in service users seeking, or being placed within, higher cost support. Operational members have been consulted on the potential outcomes of withdrawal of the services concerned and have advised that the likely impact could manifest as: an increase in Croydon's Delayed Transfers of Care (DToC); a negative impact on mental health step downs, and a related retention of service users in Temporary or Emergency Accommodation. There is a wider risk of stress on council services, and in the most vulnerable cases, a risk of unnecessary admissions into hospital.
- 5.4 There appears to have been minimal contract management of the services concerned to date. As a result, we do not have an adequate baseline of volumes and/or performance for these services or providers at present and as a result it is difficult to quantify the potential effect of withdrawal in terms of service user volumes and access rates.

Extending the current service provision through direct award will enable us to issue new twelve months contracts which specify clear standards and deliverables, enabling the CS&AL team to effectively monitor outputs, outcomes and value for money. This would also enable the team to test the

current market and produce a more informed set of commissioning options for the longer term.

- 5.5 Direct award is the proposed route in order to ensure the provision of services continues. Although these are direct awards of 12 months, for the purposes of the PCR 2015, the value for each individual contract is aggregated for its 'rolling' duration and Regulation 72 will therefore apply. The contracts in tables 2 and 3 at paragraph 3.6 are each under the PCR threshold for light touch services. However, there is a potential risk of challenge in relation to the contracts at table 1 of paragraph 3.6 as they are over the light touch regime threshold. However in determining the most appropriate way forward, we have weighed this risk against that associated with an abrupt break in service provision to a vulnerable client group, many of whom have multiple and complex needs, and also the financial burden a short-term procurement would create. Risk of challenge can be mitigated further in part by commencing the full contract reviews as soon as possible, with a clear commissioning strategy developed and agreed within 2 months of starting. It is also to be noted that, given a key decision notice was not published at the point at which the aggregate value of the services with Imagine reached £1m, one is being published for this 12 month extension.

- 5.6 There is no intention to increase contract rates for this year, though any Covid-19 related increased expenditure will be considered separately.

Future savings/efficiencies

- 5.7 The seven individual contracts each play an important role in the council's prevention/early intervention agenda and will have contributed to efficiency through cost avoidance. It is expected that the extension of the contracts will continue to divert service users away from higher cost services, hence representing an efficient investment. Extending the service would also provide continuity for our residents whilst longer-term commissioning options are evaluated.
- 5.8 The twelve month extension will provide a level of stability while we undertake more robust review of service outcomes and clarify our longer-term commissioning strategy in this area. It is anticipated that efficiencies can be made within the current contract arrangements without sacrificing service provision.

Approved by Josephine Lyseight and Ian Geary, Heads of Finances, on behalf of the Director of Finance, Investment & Risk

6. LEGAL CONSIDERATIONS

- 6.1 The legal considerations are as set out within this report

Approved by Kiri Bailey on behalf of the Director of Law and Governance & Deputy Monitoring Officer

7. HUMAN RESOURCES IMPACT

- 7.1 There are no HR implications arising from this report for Croydon Council staff, as this report recommends the extension of an existing contracts, which means that the current staffing arrangements would remain the same.

Approved by: Deborah Calliste, on behalf of the Director of Human Resources

8. EQUALITIES IMPACT

- 8.1 Service reviews conducted will include an Equality Analysis to ascertain the potential impact on groups that share a protected characteristic.

Approved by: Yvonne Okiyo, Equalities Manager

9. ENVIRONMENTAL IMPACT

- 9.1 There is no environmental impact that can be determined from the current information for all seven contracts. Furthermore no environmental assessments could be found and so far appears as though there was never a need for this.

10. CRIME AND DISORDER REDUCTION IMPACT

- 10.1 The contracted services listed in paragraph 3.6 of this document make an important contribution to reducing crime as well as the effects of crime on service users.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 11.1 Direct award for twelve month is recommended for the following reasons:

- Continuity of service is safeguarded.
- This is the minimum amount of time needed to run an effective procurement exercise if the decision, following the review, requires it for all seven contracts.
- It would provide our third sector partners with enough security for this year whilst allowing them enough time to effectively prepare for change if needed.
- It allows to explore options for integrated contract arrangements with the CCG and how services link to existing in-house provision (particularly around welfare and employment support).
- It enables us to engage service users in the review and strategy development, via the commissioned service providers. This is an

otherwise hard to reach group whose views are often not represented adequately.

- The seven individual contracts each play an important role in our commitment to preventative, locality-based services.
- Members have agreed that SLam's Community Opportunities Service will be due to be reconfigured which alongside the opening of the Recovery Café has the potential to increase demand for existing services.

12. OPTIONS CONSIDERED AND REJECTED

12.1 The following options were rejected in favour of extension by direct award:

12.2 **OPTION 1:** Terminate all seven contracts pending a more detailed service review. This approach was rejected because:

- Without sufficient information we cannot accurately scope the impact this decision would have on service user wellbeing in terms of volumes but it is there is consensus that withdrawal of these specialist community services could increase usage and dependency of other council services as well as inhibiting step downs.
- There is a risk that withdrawal of these specific community services could negatively affect DToC rates.

12.3 **OPTION 2:** Do nothing. These contracts have been in effect "rolling over" for a number of years and a second option would be to allow them to roll over for a further period whilst the review is carried out and commissioning strategy is developed. This option was rejected because:

- It falls short of our tenders and contracts regulations as well legislative responsibility
- It does not provide any security to the supplier or the council during what could possibly be a difficult and unpredictable transition period

13. DATA PROTECTION IMPLICATIONS

13.1 **WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?**

YES - From the information that is available there some personal data that is moving between at least a few of the contracted providers and council. This information includes referral data that contains service user specific data including reasons for referral, their location and contact details but this will be fully looked at during service reviews.

13.2 **HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?**

NO - The commissioning team will be conducting reviews up until the end of August 2020. Once completed, a longer-term commissioning strategy is to

For Publication

be agreed. A full DPIA will be completed in conjunction with this.

CONTACT OFFICER:

Ed Humphreys

Head of Commissioning & Procurement (AHI)

Edward.humphreys@croydon.gov.uk

Emer O'Hanlon

Category Manager (CS&AL)

Emer.o'hanlon@croydon.gov.uk

BACKGROUND DOCUMENTS:

None

This page is intentionally left blank

COVID-19 Contracts & Commissioning Board (CCB)

Summary Report & Recommendations

1. Details

Project title:	Award of Extension – Emergency Accommodation and Meals
Name and role of report author:	Amanda Lilley – Category Manager (Construction and Maintenance)
Directorate and Service Area:	Homes and Social Inclusion
Executive Director of Place Director/Head of Service:	Shifa Mustafa (Executive Director of Place) Ozay Ali (Director of Homes and Social Investment) Shelley Williams (Head of Service – Corporate Service Service)
Statutory Service (Yes or No):	Yes
Procurement Stage (RP2 or RP3):	RP3
Key Decision (Yes or No - if Yes, include ref and if using General Exemption):	No

2. Summary

In an emergency response to COVID-19, the Council originally provided emergency accommodation and catered for residents suffering from Covid-19 who could not self-isolate at home or to accommodate those who became homeless. This was to enable people to adhere to the guidance on hygiene or isolation, including for those who are at risk of sleeping rough. In order to comply with this request, the Council was able to use third party accommodation providers to ensure this provision and it was not possible to know at the time when lockdown would be released until this became effective from 4th July 2020. The Council secured rooms at Lansdowne Hotel from 17th April 2020 at a total value of £185,150:

Emergency Accommodation	Term	Number of Rooms	Total Cost £	Volume of Catering Requirements	Total Cost £	Grand Total
Lansdowne Hotel	17/4/2020-17/7/2020	42 rooms	£136,850	2 meals a day	£48,300	£185,150

The purpose of this report is to seek an extension of the existing agreement with Lansdowne Hotel to continue providing general accommodation for those who are homeless with complex needs. With the relaxation of self-isolation rules, there is no longer a requirement to provide food and therefore this element of the contract is not being renewed. This is due the lockdown being eased therefore people can purchase their own food and there are cooking facilities on site as previously. If someone has to self-isolate then appropriate arrangements will be provided so that they are supported the same as in the other nightly lets. The charge is £42.50 however the Council will recover some of this from the housing benefits for the respective tenants.

Emergency Accommodation	Number of Rooms	Agreement Period	Unit Price per Room	Total Cost £
Lansdowne Hotel	42 rooms	17 th July 2020-31 st October 2020 (105 days)	£42.50 (no meal provision required)	£187,425
Emergency Accommodation Total Expenditure to 31 st October 2020.				£372,575

Lansdowne Hotel was secured for general homelessness accommodation that may require more support i.e. mental and physical needs. To ensure financial viability, the Council secured 42 rooms (basic facilities) and due to the rooms not having appropriate cooking facilities or food storage, arranged for provision of 2 meals (food packs/microwave) per day, for a minimum period of 12 weeks at a total value of £185,150.

In accordance with the letter received from the Minister for Rough Sleeping and Housing dated 28th May 2020, it has been requested for the Council when arranging move-on accommodation for people sleeping rough, to:

- Explore sustainable options, including through partnership with housing associations and in the private rented sector;

- b) Encourage people sleeping rough to stay with friends or family, 'where appropriate and possible;
- c) Where no move-on possibility exist, to provide short-term accommodation whilst looking into long-term options.

The report is now seeking approval to extend this period until the end of October 2020 for the accommodation element only so that the accommodation provision can continue during this pandemic particularly where there are no move-on possibilities existing. Also to enable the Council to respond to the rising demand from September onwards due to the Government lifting ban on evicting renters amid the Covid-19 pandemic.

This proposed contract extension up to 30th October 2020, will enable the Council to develop its short/medium term strategic commissioning options to determine suitable provision arrangements that offers an economical and socially viable solution. An update to be provided to CCB during September to outline the key intentions and short/medium term strategy.

This will inform the proposed approach whilst the Council reviews its long term provision strategy. This may include exploring the proposed delivery model of Croydon Park Hotel which belongs to the Council, using this as an opportunity to generate income for the Authority.

The agreement for Lansdowne includes the provision of management of the rooms (not limited to) including Security; Cleaning; etc. With 24/7 presence from the same Company that currently manages the adjoining hostel accommodation to cater for the type of residents likely to be placed within this facility. All costs for the rooms will be charged to housing.

Due to the original unforeseen circumstances and extreme urgency to commission the required accommodation and welfare emergency provision to support Croydon's vulnerable residents with no available move-on possibilities, and in response to the statutory requirement to maintain continuity of provision during this current COVID-19 pandemic in response to Minister of Homelessness, it is recommended to:

Approve the proposed variation of existing contract from £185,150 to an increased total value of £372,575 (an additional £187,425), to enable the existing agreement to Lansdowne Hotel to be extended from 17th July to end of October 2020.

The proposed modification does not fall within the permitted modifications under PCR 2015 as the increase in value exceeds 50%. Having said that, if treated as a new above PCR threshold procurement the circumstances may qualify for application of Reg 32 (2) (c) PCR .Therefore it is not considered that there is significant risk of the extension being challenged and there is greater risk in ensuring the vulnerable homeless residents are accommodated during the current COVID19 pandemic in accordance with the Council's statutory duties and in response to letter received from the Minister for Rough Sleeping and Housing dated 28th May 2020 .

It is noted that the actual expenditure relating to this imminent provisions is likely to fluctuate however this will be closely monitored by the Head of Asset Management and Estates with Finance. A copy of the agreed terms and conditions with Lansdown Hotel is currently with Head of Estate.

Options considered:

- Option 1 (not recommended) – Undertake a formal procurement: for the reasons set out above due to Covid-19 pandemic this has not been possible to achieve within the timescales. There are also ongoing provision requirements which a change in Provider at this time would interrupt workflow and likely delay would cause significant impact vulnerable residents.
- Option 2 (not recommended) – do nothing: this is a statutory service requirement and advice from Central Government is to continue to deliver in the current circumstances, as explained above.
- Option 3 (recommended) – Undertake extension of contract for the provision emergency accommodation and meals to Lansdowne Hotel is recommended to enable provision to meet Council's response to COVID-19 pandemic in accordance with Government guidance received from the Minister for Rough Sleeping and Housing.

3. Recommended Procurement Strategy during COVID-19

Recommendation:

Pursuant to Part 5 A Article 1.7 (Urgency Decisions) of the Council’s Constitution the Cabinet Member for Homes and Gateway services in consultation with the Cabinet Member for Finance and Resources as the relevant body is recommended to approve:

1. The extension by way of variation of contract with Lansdowne Hotel from 17th July 2020- end of October 2020 at an additional value of £187,425 (total increased value £372,575) for the provision of emergency accommodation.

4. Financial Implications

Details	Internal Capital	Revenue	Period of funding	External		Period of funding
				Capital	Revenue	
C13402	£187,425		July –end of October 2020			

5. Actions

Action	Action owner	Date
Contract Management Arrangements to be established to monitor performance expenditure.	Head of Asset Management and Estates	July 2020

6. Outcome and approval

Outcome	Date agreed	
	CCB	CCB1600/20-21 (19/08/2020)
CCB approved Cllr Hall approved	Leader/Lead Member	

This page is intentionally left blank