

# Croydon Council

<b>REPORT TO:</b>	<b>CABINET</b> <b>19 NOVEMBER 2018</b>
<b>SUBJECT:</b>	<b>INVESTING IN OUR BOROUGH</b>
<b>LEAD OFFICER:</b>	<b>SARAH WARMAN, INTERIM DIRECTOR OF COMMISSIONING &amp; PROCUREMENT</b>  <b>RICHARD SIMPSON, EXECUTIVE DIRECTOR RESOURCES &amp; S151 OFFICER</b>
<b>CABINET MEMBER:</b>	<b>COUNCILLOR SIMON HALL</b> <b>CABINET MEMBER FOR FINANCE AND RESOURCES</b>
<b>WARDS:</b>	<b>ALL</b>
<b>CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON:</b> Effective outcome based commissioning and prudent financial transactions contribute to all corporate priorities.  The Council's commissioning strategy sets out the approach to commissioning and procurement and puts delivery of outcomes at the heart of the decision making process. As the Council develops more diverse service delivery models, it is important to ensure that our contractual and partnership relationships are not only aligned to our corporate priorities but also represent value for money for citizens and taxpayers, contributing to the growth agenda for Croydon.	
<b>FINANCIAL SUMMARY:</b> There are no direct costs arising from this report.	
<b>KEY DECISION REFERENCE NO.:</b> There are key decisions mentioned in this report, but approval of the Recommendations would not constitute a key decision.	

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

## **1 RECOMMENDATIONS**

**1.1** The Cabinet is requested to approve:

1.1.1. The procurement strategy which will result in a contract award for the supply of Gas and Electricity for the Council and Schools & Academies for a period of eighteen months as set out at agenda items 12a.

**1.2** The Cabinet is requested to recommend:

1.2.1 To the Leader of the Council that the Cabinet Member for Finance and Resources in consultation with the Leader, continues to be authorised to agree the award of contracts related to the Good to Great ICT transformation programme for reasons set out in paragraph 4.2.3 and 4.2.4. These awards

will be in line with the strategy approved by Cabinet on 20<sup>th</sup> November 2017 (reference: 91/17 Investing in our Borough. ICT sourcing strategy) and any awards made under this delegation will be notified in the standard contracts report at future Cabinet meeting.

**1.3** The Cabinet is requested to note:

1.3.1 The list of delegated award decisions made by the Director of Commissioning and Procurement, between 14/09/2018 – 12/10/2018.

1.3.2 Property acquisitions and disposals agreed by the Cabinet Member for Finance and Resources in consultation with the Leader since the last meeting of Cabinet.

1.3.3 The list of delegated award decisions made by the Nominated Cabinet Member for Finance and Resources for the Good to Great ICT transformation programme.

## **2 EXECUTIVE SUMMARY**

**2.1** This is a standard report which is presented to the Cabinet, for information, at every scheduled Cabinet meeting to update Members on:

- Delegated contract award decisions made by the Director of Commissioning and Procurement 14/09/2018 – 12/10/2018;
- Contract awards and strategies to be agreed by the Cabinet at this meeting which are the subject of a separate agenda item;
- Delegated contract award decisions under delegated authority from the Leader by the Cabinet Member for Finance and Resources and in consultation with the Leader related to the Good to Great ICT transformation programme since the last meeting of Cabinet;
- Delegated contract award decisions under delegated authority from the Leader by the Cabinet Member for Finance and Resources and Cabinet Member for Children, Young People & Learning related to the new Addington Valley SEN School;  
[As at the date of this report there are none]
- Property acquisitions and disposals agreed by the Cabinet Member for Finance and Resources in consultation with the Leader since the last meeting of Cabinet;
- Partnership arrangements to be agreed by the Cabinet at this meeting which are the subject of a separate agenda item.  
[As at the date of this report there are none]

### **3       DETAIL**

- 3.1**     Sections 4.1 of this report lists those contract and procurement strategies that are anticipated to be awarded or approved by the Cabinet.
  
- 3.2**     Section 4.2.1 of this report lists the delegated award decisions made by the Director of Commissioning and Procurement, between 14/09/2018 -12/10/2018.
  
- 3.3**     Section 4.2.2 of this report list the delegated award decisions made by the Nominated Cabinet Member for Finance and Resources in consultation with the Leader and for the Good to Great ICT transformation programme.
  
- 3.4**     Sections 4.2.3 & 4.2.4 outlines the rationale for the continuance of the delegation approved in last month's report for the Good to Great ICT transformation programme, for delivering the strategy approved by Cabinet on 20<sup>th</sup> November 2017 (reference: 91/17 Investing in our Borough c. ICT sourcing strategy).
  
- 3.5**     Section 4.3 of this report lists the property acquisitions and disposals agreed by the Cabinet Member for Finance and Resources in consultation with the Leader since the last meeting of Cabinet.
  
- 3.6**     The Council's Procurement Strategy and Tender & Contracts Regulations are accessible under the Freedom of Information Act 2000 as part of the Council's Publication Scheme. Information requested under that Act about a specific procurement exercise or contract held internally or supplied by external organisations, will be accessible subject to legal advice as to its commercial confidentiality, or other applicable exemption, and whether or not it is in the public interest to do so.

### **4       FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS**

#### **4.1     Proposed Strategy approvals**

Procurement strategy for the purchase of goods, services and works with a possible contract value over £5 million decisions to be taken by Cabinet which are agenda item 12a.

Strategy	Contract Revenue Budget	Contract Capital Budget	Dept/Cabinet Member
Provision of Electricity & Gas supply for the Council and Schools & Academies	£10,500,000		Finance & Resources Cllr Hall

## 4.2 Contract awards

### 4.2.1 Delegated award decisions made by the Director of Commissioning and Procurement.

Revenue and Capital consequences of delegated decisions made by the Director of Commissioning and Procurement for contract awards (Regs. 18, 27 a & b) between £100,000 & £500,000 and contract extension(s) previously approved as part of the original contract award recommendation (Reg. 27.d) and contract variations (Reg.29).

Contract Title	Contract Revenue Budget	Contract Capital Budget	Dept/Cabinet Member
Advocacy Service for children in need of help and protection, LAC & Care Leavers	£365,968 (Contract length 3 + 1 years)		Children, Young People & Learning / Cllr Flemming
Adults Social Care eMarket Place	£255,200 (Contract Length 2 + 1 + 1 years)		Families, Health & Social Care / Cllr Avis
Timebridge Development comprising (SEN school and Community Centre) Professional Services	£263,360 (Contract Length 2 years + 6 months)		Environment, Transport & Regen./ Cllr King & Children, Young People & Learning / Cllr Flemming
Provision of IT Service Management Tool (with implementation and support services)	£235,000 (Contract Length 2+1 years)		Finance & Resources/Cllr Hall

<b>CONTRACT VARIATIONS &amp; EXTENSIONS</b>					
<b>Contract Title</b>	<b>Value of Contract to Date</b>	<b>Value of Extension Term</b>	<b>Total Revenue value including extension term</b>	<b>Contract Capital Budget</b>	<b>Dept/Cabinet Member</b>
Child Weight Management	£315,000	£ 210,000 (Contract length 1 year)	£525,000		Children, Young People & Learning / Cllr Flemming
Provision of Occupational Health Services	£489,000	Extension of contract length and not value (Contract length 1 year + 9 months)	£489,000		Finance and Resources / Cllr Hall
Supervised Contact & Assessment Framework	£4,300,000	£1,000,000 (Contract length 12 months)	£5,300,000		Children, Young People & Learning / Cllr Flemming

4.2.2 Delegated award decisions for contracts for the Good to Great ICT Transformation programme over £500,000 in value made by the nominated Cabinet Member for Finance and Resources in consultation with the Leader since the last meeting of Cabinet.

<b>Contract Title</b>	<b>Contract Revenue Budget</b>	<b>Contract Capital Budget</b>	<b>Dept/Cabinet Member</b>
End Users Services	£8,900,000 (Contract length 3 + 1years)		Finance and Resources / Cllr Hall
Managed Print Services	£771,000 (Contract length 3 + 1years)		Finance and Resources / Cllr Hall

4.2.3 The Good to Great programme is working at pace to deliver the strategy to disaggregate IT contracts and transform IT services as approved by Cabinet on 20<sup>th</sup> November 2017 (reference:91/17 Investing in our Borough c. ICT sourcing strategy). There is a contract notice period in

November 2018 with the incumbent supplier by which notices need to be served to terminate services (in whole or in part) by the contract break date. By following the timetabling of Cabinet meetings for contract award decisions, there is a risk that the contract notice periods will not be met.

- 4.2.4 The continuance of the delegation for contract award decisions will provide the flexibility required and ensure timely decisions can be made for contract awards which align with contract notice periods and do not impact on the ability to serve notice by the contract notice date.

### 4.3 Property Acquisitions and Disposals

- 4.3.1 Revenue and Capital consequences of property acquisitions and disposals over £500,000 agreed by the Cabinet Member for Finance and Resources in consultation with the Leader of the Council.

Contract Title	Disposals	Acquisitions	Dept/Cabinet Member
Colonnades Leisure and Retail Park – Phase 1		£44,201,845.80 (excluding Stamp Land Tax)	Finance and Resources/Cllr Hall in Consultation with the Leader of Council

Approved by: Ian Geary, Head of Finance - Resources on behalf of Lisa Taylor, Director of Finance, Investment and Risk and Deputy Section 151 Officer.

## 5 COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

- 5.1 The Solicitor to the Council comments that the information contained within this report is required to be reported to Members in accordance with the Council's Tenders and Contracts Regulations and the council's Financial Regulations in relation to the acquisition or disposal of assets.

Approved by: Sean Murphy, Head of Commercial and Property Law and Deputy Monitoring Officer on behalf of the Director of Law and Monitoring Officer.

## **6 HUMAN RESOURCES IMPACT**

- 6.1 There are no immediate HR issues that arise from the strategic recommendations in this report for LBC staff. Any specific contracts that arise as a result of this report should have their HR implications independently assessed by a senior HR professional.

Approved by: Sue Moorman, Director of Human Resources

## **7 EQUALITY IMPACT**

- 7.1 An Equality Analysis process has been used to assess the actual or likely impact of the decisions related to contracts mentioned in this report and mitigating actions have been defined where appropriate.
- 7..2 The equality analysis for the contracts mentioned in this report will enable the Council to ensure that it meets the statutory obligation in the exercise of its functions to address the Public Sector equality duty (PSED). This requires public bodies to ensure due regard to the need to advance equality of opportunity; foster good relations between people who share a “protected characteristic” and those who do not and take action to eliminate the potential of discrimination in the provision of services.
- 7..3 Any issues identified through the equality analysis will be given full consideration and agreed mitigating actions will be delivered through the standard contract delivery and reporting mechanisms.

Approved by: Yvonne Okiyo, Equalities Manager

## **8 ENVIRONMENTAL IMPACT**

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

## **9 CRIME AND DISORDER REDUCTION IMPACT**

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

**CONTACT OFFICER:**

<b>Name:</b>	Rakhee Dave-Shah
<b>Post title:</b>	Head of Commissioning and Procurement (Corporate)
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**BACKGROUND DOCUMENTS:** None