

Croydon Council

REPORT TO:	CABINET 21st January 2019
SUBJECT:	Investing In Our Borough
LEAD OFFICER:	Sarah Warman, Director Of Commissioning & Procurement Richard Simpson, Executive Director Resources & S151 Officer
CABINET MEMBER:	Councillor Simon Hall Cabinet Member For Finance And Resources
WARDS:	ALL
CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON: 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.	
FINANCIAL SUMMARY: There are no direct costs arising from this report.	
KEY DECISION REFERENCE NO.: 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 note:

1.1.1 The contracts over £500,000 anticipated to be awarded by the nominated Cabinet Member, in consultation with the nominated Cabinet Member for Finance and Resources or, where the nominated Cabinet Member is the Cabinet Member for Finance and Resources, in consultation with the Leader.

1.1.2 The list of delegated award decisions made by the Director of Commissioning and Procurement, between 10/11/2018 – 11/12/2018.

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

1.2 The Cabinet is requested to recommend:

1.2.1 To the Leader of the Council, that prior to the next meeting of Cabinet in February, the Cabinet Member for Families, Health and Social Care, in consultation with the Cabinet Member for Finance and Resources be authorised to agree the awards of contracts related to the Crosfield House redevelopment for the purposes set out in the procurement strategy approved by Contracts & Commissioning Board on 17th December 2018 (decision reference CCB1442/18-19). The reasons for this delegation are set out in paragraphs 4.4.1 to 4.4.3 and any awards made under this delegation will be notified in the standard contracts report at future Cabinet meetings.

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 10/11/2018 – 11/12/2018;
- Contract awards and strategies 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]
- Contracts anticipated to be awarded under delegated authority from the Leader by the nominated Cabinet Member, in consultation with the Cabinet Member for Finance and Resources and with the Leader in certain circumstances, before the next meeting of Cabinet;
- Property acquisitions and disposals to be 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 Section 4.1 of this report lists those contracts that are anticipated to be awarded by the nominated Cabinet Member.
- 3.2 Section 4.2.1 of this report lists the delegated award decisions made by the Director of Commissioning and Procurement, between 10/11/2018 – 11/12/2018.
- 3.3 Section 4.3 of this report lists the property acquisitions and disposals to be agreed by the Cabinet Member for Finance and Resources in consultation with the Leader since the last meeting of Cabinet.

- 3.4 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.
- 3.5 Section 4.4 of this report outlines the rationale for the delegation being requested for Crosfield House redevelopment for delivering the strategy approved by CCB (ref: CCB1442/18-19).

4 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

4.1 Proposed Contract awards

- 4.1.1 Revenue and Capital consequences of contract award decisions to be made between £500,000 to £5,000,000 by the nominated Cabinet Member in consultation with the Cabinet Member for Finance and Resources or, where the nominated Cabinet Member is the Cabinet Member for Finance and Resources, in consultation with the Leader.

Contract Title	Contract Revenue Budget	Contract Capital Budget	Dept/Cabinet Member
People's ICT Services Implementation Delivery Partner		£607,156	Finance & resources / Cllr Hall Families, Health and Social Care / Cllr Avis Children, Young People and Learning / Cllr Flemming

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
Utilities Collaboration		£242,500	Environment, Transport & Regeneration / Cllr Scott
Educational estates – Fire safety delivery – Tranche 2		£396,854	Children, Young People and Learning / Cllr Flemming

CONTRACT VARIATIONS & EXTENSIONS					
Contract Title	Value of Contract to Date	Value of Extension Term	Total Revenue value including extension term	Contract Capital Budget	Dept/Cabinet Member
Open Access Counselling for Children & Young People (Off The Record)	£68,000	£34,000 (Croydon Spend + £139,000 CCG Spend) (Contract length 1yr)	£241,000 (aggregate)		Children, Young People and Learning / Cllr Flemming
Open Access Counselling for Children and Young People (Croydon Drop In)	£150,000	£150,000 (Croydon Spend + £50,000 CCG Spend) (Contract length 1yr)	£350,000 (aggregate)		Children, Young People and Learning / Cllr Flemming
Octavo Extension	£4,087,066	£1,037,498 (Contract length 1yr)	£5,124,565		Children, Young People and Learning / Cllr Flemming

CONTRACT VARIATIONS & EXTENSIONS					
Contract Title	Value of Contract to Date	Value of Extension Term	Total Revenue value including extension term	Contract Capital Budget	Dept/Cabinet Member
Provision of Electronic Payment Services, contract extension	£315,000	£315,000 (Contract length 2yr)	£630,000		Finance and Resources / Cllr Simon Hall

4.3 Property Acquisitions and Disposals

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

Contract Title	Disposals	Acquisitions	Dept/Cabinet Member
Disposal of 178 Orchard Way	Please refer to background document		Finance and Resource s/ Cllr Hall in Consultati on with the Leader of Council

4.4 Contract Award Delegation Request(s)

4.4.1 The Crosfield House Redevelopment will enable the Community Equipment Services (CES) currently based at a council asset in Boulogne Road to relocate to Crosfield House. The CES provides clinical assessment and medical equipment to adults and children with disability and medical needs. The relocation to Crosfield House will allow the CES to grow their trading activities to generate further incremental profit of £954k over the next five years and extend their services to house Croydon's Independent Living Centre and Wheelchair Services. As a result of the relocation of the CES, the existing site at Boulogne road will be surrendered to the GLA for housing development which will in turn generate a capital receipt to the Council.

4.4.2 The GLA requires possession of the Boulogne site on the 16th of September 2019. The estimated construction period for the development of Crosfield House is between 7-8 months. In order to be able to complete the redevelopment of the Crosfield House for the relocation of the CES in line with the GLA requirement, a contractor must be appointed to commence the redevelopment works by the 18th of February. As per the procurement strategy set out in the approved RP2 report (CCB1442/18-19), an invitation to tender was issued on the 17th of December 2018 to procure a contractor via Constructionline to carry out the redevelopment works. The tendering and evaluation process to select a preferred bidder is scheduled to be completed on the 13th of February 2019. The scheduled Cabinet and CCB meeting dates fall outside of the period in which a contract award recommendation needs to be made to meet the timeline for the delivery of the project.

4.4.3 The delegation of contract award decisions will provide the flexibility required and ensure timely decisions can be made for the project to be delivered to the required timescales.

Approved by: 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:

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BACKGROUND DOCUMENTS:

The following public background reports are not printed with this agenda, but are available as background documents on the Croydon Council website agenda which can be found via this link [Cabinet agendas](#)

- *People’s ICT Services Implementation Delivery Partner award report*
- *Disposal of 178 Orchard Way*