

# Croydon Council

<b>REPORT TO:</b>	<b>CABINET 20<sup>th</sup> November 2017</b>
<b>SUBJECT:</b>	<b>Investing in our borough</b>
<b>LEAD OFFICER:</b>	<b>Richard Simpson, Executive Director Resources &amp; S151 Officer</b> <b>Sarah Ireland, Director of Commissioning &amp; Improvement</b>
<b>CABINET MEMBER:</b>	<b>Councillor Simon Hall</b> <b>Cabinet Member for Finance and Treasury</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. The contracts (awarded or recommended for award) and partnership arrangements included in this report will support the Council to achieve the Ambitious for Croydon outcome "to be innovative and enterprising in using available resources to change lives for the better."	
<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 in Section 1 of the report would not constitute key decisions.	

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 in value anticipated to be awarded by the nominated Cabinet Member, in consultation with the Cabinet Member for Finance and Treasury or, where the nominated Cabinet Member is the Cabinet Member for Finance and Treasury, in consultation with the Leader.

1.1.2 The list of delegated award decisions made by the Director of Commissioning and Improvement, between 14/09/2017 – 18/10/2017.

1.1.3 Contract awards recommended to the Cabinet for approval which are the

subject of a separate agenda item and referenced in section 4.3 of this report.

1.1.4 The list of decisions taken since the last meeting of Cabinet by the nominated Cabinet member in consultation with the Cabinet Member for Finance and Treasury, under the Leaders specific delegated authority for those contract awards

1.2 The Cabinet is requested to agree

1.2.1 The list of procurement strategies over £5,000,000 in value, referenced in section 4.5, as shown in the appendix (**e-copy**).

## **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:

- 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 Treasury and with the Leader in certain circumstances, before the next meeting of Cabinet.
- Delegated contract award decisions made by the Director of Commissioning and Improvement 14/09/2017-18/10/2017.
- Property acquisitions and disposals to be agreed by the Cabinet or the Cabinet Member for Finance and Treasury (as appropriate) either as part of this agenda or before the next meeting of Cabinet. [As at the date of this report there are none]
- Contract awards to be agreed by the Cabinet at this meeting which are the subject of a separate agenda item;
- The list of decisions taken since the last meeting of Cabinet by the nominated Cabinet member in consultation with the Cabinet Member for Finance and Treasury, under the Leaders specific delegated authority for those contract awards
- 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]

2.2 The list of procurement strategies where the value of the proposed contract is above £5,000,000 and approved under the Leaders delegation by, as appropriate, Executive Directors for Place, People and Resources departments in consultation with the Cabinet Member for Finance and Treasury.

## **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 of this report lists the delegated award decisions made by the Director of Commissioning and Improvement, between 14/09/2017-18/10/2017.
- 3.3 Section 4.3 of this report lists the contract award recommended to the Cabinet for approval at this meeting. This contract award is the subject of a separate agenda item and is itemised in this report for information only.
- 3.4 Section 4.4 of this report lists the decisions taken since the last meeting of Cabinet by the nominated Cabinet member in consultation with the Cabinet Member for Finance and Treasury, under the Leaders specific delegated authority for those contract awards
- 3.5 Section 4.5 of this report lists the procurement strategies where the value of the proposed contract is above £5,000,000 and approved under the Leaders delegation by, as appropriate, Executive Directors for Place, People and Resources departments in consultation with the Cabinet Member for Finance and Treasury.
- 3.6 The Council's Procurement Strategy and Tenders & Contracts Regulations are accessible under the Freedom of Information Act 2000 as part of the Council's Publication Scheme. Information requested under that Act about a specific procurement exercise or contract held internally or supplied by external organisations, will be accessible subject to legal advice as to its commercial confidentiality, or other applicable exemption, and whether or not it is in the public interest to do so.

#### **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 Treasury or, where the nominated Cabinet Member is the Cabinet Member for Finance and Treasury, in consultation with the Leader.

<b>Contract Title</b>	<b>Contract Revenue Budget</b>	<b>Contract Capital Budget</b>	<b>Dept/Cabinet Member</b>
Internal Audit & Anti-Fraud Contract Award for a contract term of 6 years with options to extend for a further 2 years	Total contract award value £3,168,000		Resources/ Cllr Simon Hall

<b>Contract Title</b>	<b>Contract Revenue Budget</b>	<b>Contract Capital Budget</b>	<b>Dept/Cabinet Member</b>
Open Access Counselling Services for Children and Young People - Croydon Drop In for a contract term of 1 year with the option to extend for a further 1 year	Total contract award value £300,000 (aggregate value from 2016 to 31st March 2020 £600,000)		People/ Cllr Alisa Flemming
Community Equipment Dynamic Purchasing System 2 - Paediatrics & Young Adults Equipment for a maximum contract term of 3 years	Total contract award value £1,696,970 (Croydon)		People/Cllr Louisa Woodley
Community Equipment Dynamic Purchasing System 3 - Simple Aids for a maximum contract term of 2 years	Total contract award value £4,674,381 (Croydon)		People/Cllr Louisa Woodley

<b>CONTRACT EXTENSIONS</b>					
<b>Contract Title</b>	<b>Value of Contract to Date</b>	<b>Revenue value of Extension Term</b>	<b>Total Revenue value including extension term</b>	<b>Contract Capital Budget</b>	<b>Dept/Cabinet Member</b>
Supervised Contact and Assessment Framework – contract variation	£3,200,000	£1,300,000	£4,500,000	NIL	People/ Cllr Alisa Flemming

#### **4.2 Delegated award decisions made by the Director of Commissioning and Improvement**

4.2.1 Revenue and Capital consequences of delegated decisions made by the Director of Commissioning and Improvement for contract awards between £100,000 & £500,000 and contract extension awards (no limit to value) that were previously approved as part of the original contract award recommendation.

<b>Contract Title</b>	<b>Contract Revenue Budget</b>	<b>Contract Capital Budget</b>	<b>Dept</b>

<b>Contract Title</b>	<b>Contract Revenue Budget</b>	<b>Contract Capital Budget</b>	<b>Dept</b>
Direct Award of Advocacy Provision 2017/18 for a maximum contract term of 12 months	Total contract award value £127,352		People
SEND Demand Modelling and Strategic Planning Support for a maximum contract term of 4 months	Total contract award value £179,850		People

<b>CONTRACT EXTENSIONS</b>					
<b>Contract Title</b>	<b>Value of Contract to Date</b>	<b>Revenue value of Extension Term</b>	<b>Total Revenue value including extension term</b>	<b>Contract Capital Budget</b>	<b>Dept/Cabinet Member</b>
Education attendance and achievement tracking service for Children Looked After – contract variation	£120,000	£22,500	£142,500	NIL	People/ Cllr Alisa Flemming

4.3 Revenue and Capital consequences of contract award decisions to be taken by Cabinet which are the subject of a separate agenda item.

<b>Contract Title</b>	<b>Contract Revenue Budget</b>	<b>Contract Capital Budget</b>	<b>Dept</b>
South London Work & Health Programme Contract Award for a maximum contract term of 5 years	Total contract award value £13,380,000		Resources
Sports Physical Activity & Leisure Services Operator	£120,000,000 (Concessions Regulations)		Place

4.4 The list of decisions taken since the last meeting of Cabinet by the nominated Cabinet member in consultation with the Cabinet Member for Finance and Treasury, under the Leaders specific delegated authority for those contract awards.

<b>CONTRACT EXTENSIONS</b>					
<b>Contract Title</b>	<b>Value of Contract to Date</b>	<b>Revenue value of Extension Term</b>	<b>Total Revenue value including extension term</b>	<b>Contract Capital Budget</b>	<b>Dept/Cabinet Member</b>
Uniform for Development Management & Building Control – extension for a term of 2 years	£519,000	£135,000	£654,000	NIL	Resources/ Cllr Simon Hall

- 4.5 Revenue and capital consequences of procurement strategy decisions to be made over £5,000,000 by Cabinet **(as detailed in the e-copy appendix)**

<b>Contract Title</b>	<b>Contract Revenue Budget</b>	<b>Contract Capital Budget</b>	<b>Dept</b>
ICT Sourcing Strategy	£18,000,000		Resources

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 Council Solicitor 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 Jacqueline Harris-Baker, 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.

## **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 Improvement (Corporate)
<b>Telephone no:</b>	63186

### **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](#)

- *Internal Audit & Anti-Fraud Contract Award*
- *Open Access Counselling Services for Children and Young People - Croydon Drop In – Contract Award*
- *Supervised Contact and Assessment Framework – Contract Variation*

**CONFIDENTIAL BACKGROUND DOCUMENTS- EXEMPT FROM PUBLIC DISCLOSURE**

*The following Part B background documents are exempt from public disclosure because they contain exempt information as defined in paragraph no. 3 of Schedule 12a to the Local Government Act 1972 (as amended).*

- *Internal Audit & Anti-Fraud - Contract Award*