

Croydon Council

REPORT TO:	CABINET 24 SEPTEMBER 2018
SUBJECT:	INVESTING IN OUR BOROUGH
LEAD OFFICER:	SARAH WARMAN, INTERIM 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 in value anticipated to be awarded 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.

1.1.2 The list of delegated award decisions made by the Director of Commissioning and Procurement, between 02/06/2018 – 08/08/2018.

1.1.3 The list of delegated award decisions for contracts over £500,000 in value and procurement strategies over £5,000,000 in value made 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 since the last meeting of Cabinet.

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

1.2 The Cabinet recommends to the Leader of the Council that prior to the next meeting of Cabinet in October, the Cabinet Member for Finance and Resources in consultation with the Leader, be authorised to agree the award in respect of the contracts related to the Good to Great ICT transformation programme in line with the strategy approved by Cabinet on 20th November 2017 (reference: 91/17 Investing in our Borough c. ICT sourcing strategy) for the reasons set out in para 4.5 and 4.6. Note that any awards made under this delegation will be notified in the standard contracts report to the next meeting of Cabinet.

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 Resources and with the Leader in certain circumstances, before the next meeting of Cabinet;
- Delegated contract award decisions made by the Director of Commissioning and Procurement 02/06/2018 – 08/08/2018;
- Delegated award decisions for contracts over £500,000 in value and procurement strategies over £5,000,000 in value made 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 since the last meeting of Cabinet;
- Contract awards 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]
- Property acquisitions and disposals agreed by the Cabinet Member for Finance and Resources in consultation with the Leader since the last meeting of Cabinet; and
- 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 of this report lists the delegated award decisions made by the Director of Commissioning and Procurement, between 02/06/2018 – 08/08/2018.
- 3.3 Section 4.3 of this report lists the delegated decisions made 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 since the last meeting of Cabinet.
- 3.4 Section 4.4 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.
- 3.5 Section 4.5 and 4.6 of this report outlines the rationale for the delegation being requested for the Good to Great ICT transformation programme, which is delivering the strategy approved by Cabinet on 20th November 2017 (reference: 91/17 Investing in our Borough c. ICT sourcing strategy).
- 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 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
Best Start Children's Centre Contract extensions	£2,160,000 (contract length 12 months, maximum contract total £8,646,000)		Children, Families & Education / Cllr Flemming

Contract Title	Contract Revenue Budget	Contract Capital Budget	Dept/Cabinet Member
Section 75 Agreement for Health Visiting	£4,200,000 (contract length 12 months, maximum contract total £16,800,000)		Children, Families & Education / Cllr Flemming
Section 75 Agreement for Family Nurse Partnership	£530,000 (contract length 12 months, maximum contract total £2,120,000)		Children, Families & Education / Cllr Flemming
Section 75 Agreement Public Health School Nursing Service	£1,123,000 (contract length 12 months, maximum contract total £4,492,660)		Children, Families & Education / Cllr Flemming

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

4.2.1 Revenue and Capital consequences of delegated decisions made 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
Carer Assessment Service	£285,083 (contract length 15 months)		Health, Wellbeing & Adults / Cllr Avis
Annual Assets Valuations	£350,000 (contract length 5 years)		Resources/Cllr Hall
Pensions Investment Management Consultancy	£430,000 (contract length 5 + 2 years)		Resources / Cllr Hall
Transportation of Bodies to Public Mortuaries Lot 2 Bromley & Bexley	£280,000 (contract length 4 years)		Resources / Cllr Hall

Contract Title	Contract Revenue Budget	Contract Capital Budget	Dept/Cabinet Member
Education & Monitoring Tracking LAC	£128,544 (contract length 2 + 2 years)		Children, Families & Education / Cllr Flemming
Fairfield & East Croydon Walking & Cycling Improvement		£134,865	Place / Cllr King

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
In House Foster Care Recruitment	£1,340,000	Extension of contract length and not value (additional contract length 5 months)	£1,340,000		Children, Families & Education / Cllr Flemming
Primary Schools Expansion Programme 2015 Quantity Surveyor Services	£303,375	£120,527		£423,902	Children, Families & Education / Cllr Flemming
Young Adults Carers Support	£95,000	£50,000 (contract length 12 months)	£145,000		Health, Wellbeing & Adults / Cllr Avis
Tutoring Services for Looked After Children (LAC)	£96,000	£26,000 (no increase in contract length)	£122,000		Children, Families & Education / Cllr Flemming
Revenues & Benefits Hosting & DR Support and Maintenance	£498,000	£380,000 (contract length 1 + 1 years)	£878,000		Resources / Cllr Hall

4.3 Delegated award decisions for contracts over £500,000 in value made 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 since the last meeting of Cabinet.

Contract Title	Contract Revenue Budget	Contract Capital Budget	Dept/Cabinet Member
Foster Care Recruitment	£989,000 (contract length 2 years)		Children, Families & Education / Cllr Flemming
Preventative 3 rd Sector Fund contract extensions	£224,875 (contract length 6 months, maximum contract total £2,676,125)		Resources / Cllr Hall
Integrated Framework Agreement – contract extension	£24,861,538 (contract length 18 months, maximum contract total £97,199,034)		Health, Wellbeing & Adults / Cllr Avis
Timebridge Community Centre Construction		£4,000,000	Place / Cllr King

4.4 Revenue and Capital consequences of property acquisitions and disposals over £500,000 agreed by the Leader of the Council.

Contract Title	Disposals	Acquisitions	Dept/Cabinet Member
Croydon Park Hotel		£31,279,500 (this figure includes Stamp Duty Land Tax of £1,479,500)	Leader of the Council

- 4.5 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 20th 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.
- 4.6 The delegation of 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.

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.

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](#)

- *Best Start Children’s Centre contract extensions including Section 75 Agreement Extensions for Health Visiting, Family Nurse Partnership and Public Health School Nursing Service.*