

# Croydon Council

<b>REPORT TO:</b>	<b>CABINET 7 May 2019</b>
<b>SUBJECT:</b>	<b>INVESTING IN OUR BOROUGH</b>
<b>LEAD OFFICER:</b>	<b>SARAH WARMAN, DIRECTOR OF COMMISSIONING &amp; PROCUREMENT</b>  <b>JACQUELINE HARRIS BAKER, INTERIM EXECUTIVE DIRECTOR RESOURCES</b>
<b>CABINET MEMBER:</b>	<b>COUNCILLOR SIMON HALL</b> <b>CABINET MEMBER FOR FINANCE AND RESOURCES</b>
<b>WARDS:</b>	<b>ALL</b>
<p><b>CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON:</b> Effective outcome based commissioning and prudent financial transactions contribute to all corporate priorities.</p> <p>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.</p>	
<p><b>FINANCIAL SUMMARY:</b> There are no direct costs arising from this report.</p>	
<p><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.</p>	

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 contract awards for the provision of Community Fund for a maximum term of 3 years as set out at agenda item 7.

1.2 The Cabinet is requested to note:

1.2.1 The list of delegated award decisions made by the Director of Commissioning and Procurement, between 12/03/2019 – 11/04/2019.

1.2.2 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.
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## **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 12/03/2019 – 11/04/2019;
- Contract awards and strategies to be agreed by the Cabinet at this meeting which are the subject of a separate agenda item;
- 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;
- 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;  
[As at the date of this report there are none];
- Delegated contract award decisions under delegated authority from the Leader by the Nominated Cabinet Members for Finance and Resources & 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;  
[As at the date of this report there are none]
- 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 4.1.1 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 12/03/2019 – 11/04/2019;
- 3.3 Section 4.3.1 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 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**

- 4.1.1 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 5.

<b>Strategy</b>	<b>Contract Revenue Budget</b>	<b>Contract Capital Budget</b>	<b>Dept/Cabinet Member</b>
Community Fund Commissioning Programme	£7,792,929 (3 years)		Safer Croydon & Communities / Cllr Ali

### **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).

<b>Contract Title</b>	<b>Contract Revenue Budget</b>	<b>Contract Capital Budget</b>	<b>Dept/Cabinet Member</b>
Library Book Stock		£110,000	Culture, Leisure & Sport / Cllr Lewis
Library Management System	£144,810 (Contract length 3 years & 6 months)	£55,592	Culture, Leisure & Sport / Cllr Lewis

<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>
16+ Semi Independent Accommodation and Support Services Framework	£4,200,000	£4,200,000 (2 years extension)	£8,400,000		Children, Young People & Learning / Cllr Flemming
Provision of Children's Social Care Specialist Services for young people affected by child exploitation (sexual and criminal)	£258,615	£42,000 (4 months extension)	£300,615		Children, Young People & Learning / Cllr Flemming
London Counter Fraud Hub – variation from a 9 year payment by results contract to a 7 year subscription service contract	£2,160,000 (9 years payment by results contract)	£705,000 (7 years subscription based contract)	£705,000		Finance & Resources / Cllr Hall

### 4.3 Delegated Decisions

4.3.1 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.

<b>Contract Title</b>	<b>Contract Revenue Budget</b>	<b>Contract Capital Budget</b>	<b>Dept/Cabinet Member</b>
Passenger Transport In House Service Vehicles	£2,424,000 (Contract length 5 years)		Children, Young People & Learning / Cllr Flemming
Passenger Transport – Minibus Services Contract Award Lot 1 Bensham Manor & St Nicholas School	£3,517,601 (Contract length 1year + extensions 1 + 1 year)		Children, Young People & Learning / Cllr Flemming
Passenger Transport – Minibus Services Contract Award Lot 2 – St Giles School and Rutherfords	£4,383,470 (Contract length 2 years + extensions 1 + 1 year)		Children, Young People & Learning / Cllr Flemming
Passenger Transport – Minibus Services Contract Award Lot 3 – Various Schools	£2,232,538 (Contract length 4 years)		Children, Young People & Learning / Cllr Flemming
Crosfield House Refurbishment		£2,400,000	Environment, Transport & Regeneration / Cllr Scott
Establishment of a Passenger Transport Dynamic Purchasing System ('DPS')	£68,000,000 (Contract length 4 years plus extensions for 2 years + 2 years)		Children, Young People & Learning / Cllr Flemming
Floating Support Services for Older People Contract Extension	£180,000 extension value (Contract extension 12 months) £1,200,000 overall contract value (overall contract length 6 years)		Families, Health & Social Care / Cllr Avis
Mortuary & Post Mortem Services Section 75 Agreement	£425,000 (Contract length 5 years) (aggregate value £510,000)		Culture, Leisure & Sport / Cllr Lewis

<b>Contract Title</b>	<b>Contract Revenue Budget</b>	<b>Contract Capital Budget</b>	<b>Dept/Cabinet Member</b>
Community Equipment Services DPS 5 – Beds & Associated Equipment	£3,421,252 (Contract length 10 years)		Families, Health & Social Care / Cllr Avis
Integrated Sexual Health Services – Section 75 Agreement extension	£5,849,000 (2 years extension) overall contract value £15,866,000		Families, Health & Social Care / Cllr Avis
Income Management, Cash Receipting and Electronic Payment Processing System	£1,080,000 (Contract length 3 years)		Finance & Resources / Cllr Hall
Electricity & Gas Supply – Lot Half Hourly Metered Electricity	£3,009,832 (Contract length 1 year & 5 months)		Finance & Resources / Cllr Hall
Electricity & Gas Supply – Lot Non Half Hourly Metered Electricity	£2,494,289 (Contract length 1 year & 5 months)		Finance & Resources / Cllr Hall
Electricity & Gas Supply – Lot Unmetered Street Lighting Electricity	£2,067,248 (Contract length 1 year & 5 months)		Finance & Resources / Cllr Hall
Electricity & Gas Supply – Lot Gas	£1,449,304 (Contract length 1 year & 5 months)		Finance & Resources / Cllr Hall

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

## **5 LEGAL CONSIDERATIONS**

- 5.1 The Director of Law and Governance 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, Director of Law and Governance and Deputy 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.
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**CONTACT OFFICER:**

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<b>Post title:</b>	Head of Commissioning and Procurement (Corporate)
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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](#)

- Passenger Transport In House Service Vehicles
- Crosfield House Refurbishment
- Establishment of a Passenger Transport Dynamic Purchasing System ('DPS')
- Passenger Transport Mini Bus Contract Award for Lots 1, 2 & 3
- Floating Support Services for Older People contract extension
- Mortuary & Post Mortem Services
- Community Equipment Service DPS 5 – Beds and Associated Equipment
- Integrated Sexual Health Services – Section 75 Agreement extension
- Income Management, Cash Receipting and Electronic Payment Processing System
- Electricity & Gas Supply – Lots - Half Hourly Metered Electricity - Non Half Hourly Metered Electricity - Unmetered Street Lighting Electricity - Gas