

Croydon Council

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REPORT TO:	APPENDIX to CABINET REPORT 29 September 2014
AGENDA ITEM:	Appendix to item 11
SUBJECT:	Planned Maintenance and Improvement Procurement Strategy and Transition Strategy
LEAD OFFICERS:	Peter Brown Director of Housing Needs and Strategy David Sutherland Director of Croydon Landlord Services
CABINET MEMBERS:	Councillor Alison Butler Deputy Leader and Cabinet Member for Homes and Communities Councillor Simon Hall Cabinet Member for Finance and Treasury
WARDS:	All
CORPORATE PRIORITY/POLICY CONTEXT: These works meet the Council's Corporate priorities to: <ul style="list-style-type: none">• Provide Value for Money to its residents through the delivery of the Planned Maintenance and Improvements Programme to the Council's housing stock• Improve our Assets through investment in our housing stock• Improving health and well-being through decent homes and neighbourhoods• Contribute to the local economy and environment• Improve Corporate Social Responsibility opportunities• Include the Council's commitment to the London Living Wage	
FINANCIAL IMPACT SUMMARY: This report recommends commitment to the Commissioning and Procurement Strategy as set out in this report and the necessary Contract Extensions, Variations and Directs Awards to contractors as set out in the Recommendation of this report, to be awarded to ensure contract end date alignment for the presented procurement strategy. The services are to be mainly funded from the Housing Revenue Account (£25m) as well as the Council's General Fund (£6m). The overall addressable budget to be	

Croydon Council

approved is up to £31m per annum.

The procurement of General Building Works is valued at up to £15m per annum and could deliver potential HRA/GF efficiency and market savings estimated at between £1.4m - £1.8m per annum

The procurement of Lift repairs, cyclical maintenance and installations is valued at £3m per annum

KEY DECISION REFERENCE NO.:

This is not a Key Decision as defined in the Council's Constitution.

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

1. RECOMMENDATIONS

That Cabinet considers this report and approves:

- 1.1. The Commissioning and Procurement Strategy to deliver the Council's Planned Maintenance and Improvements Service up to a total value of £31m pa (£25m HRA and up to £6m GF) as follows:
 - a) Procurement 1 - General Building Works
 - b) Procurement 5 - Lift repairs, cyclical maintenance and installations
- 1.2. That in respect of Procurement 1 General Building the OJEU Notice and PQQ Documents refer to the intention to award a single contract for an initial period of 5 years with options to extend up to a maximum period of 14 years at a maximum annual cost of £15m, with the contract signed by November 2015 and works commencing in early 2016
- 1.3. That for the reasons detailed in para. 2.4 the Deputy Leader and Cabinet Member for Homes and Communities, in consultation with the Cabinet Member for Finance and Treasury be given delegated authority to approve the detailed strategy and procurement options at a value of £13m for:
 - Procurement 2 - Electrical Works
 - Procurement 3 - Mechanical Works
 - Procurement 4 - Window installations
- 1.4 Agrees that in respect of Procurement 5 Lifts the OJEU Notice and PQQ Documents refer to the intention to award a single contract for the repairs, cyclical maintenance, servicing and replacement of all Council Lifts for an initial period of 5 years with options to extend up to a maximum period of 14 years commencing July 2016 at a maximum annual cost of £3m

Croydon Council

- 1.5 Agrees the Transition Strategy for Planned Maintenance and Improvements based on the following contract extensions, variations and direct awards as detailed below:
- a) the variation of the current contract for Kitchens and Bathrooms with **Mulalley** for a period of 16 months from December 2014 to March 2016 up to a total value of £8m;
 - b) the variation of the current contract for Kitchens and Bathrooms with **Lovell** for 16 months from December 2014 to March 2016 up to a total value of £1.0m;
 - c) the extension of the current contract for Windows installations with **Asset Windows** for a period of 15 months from January 2015 to March 2016 up to a total value of £2.2m;
 - d) the variation of the current contract for Lift repairs and servicing with **Elite Elevators** for a period of 16 months from April 2015 to July 2016 up to the total value of £0.4m;
 - e) the variation of the current contract for Partnering Support with **EC Harris** for a period of 12 months from April 2016 to March 2017 up to the total additional value of £900k.
- 1.6 Agree that in respect of recommendation 1.3 for the reasons detailed in para 2.4 the Deputy Leader and Cabinet Member for Homes and Communities, in consultation with the Cabinet Member for Finance and Treasury be given delegated authority to approve the the contract variation.

2. EXECUTIVE SUMMARY

- 1 This report is presented to Cabinet following a full review of the provisional procurement strategy previously agreed by the Contracts and Commissioning Board (CCB) in March 2014. The revised strategy for procuring providers for the Council's Planned Maintenance and Improvements Service (the Service) has a greater emphasis and focus on Corporate Social Responsibility which will lead to positive enhancements for local employment, community benefits, supply chain management and environmental sustainability (refer to paragraph 3.9). There will also be a requirement in the contracts for the payment of the London Living Wage as a minimum requirement.
- 2 In relation to Procurement 1 General Building Works it is possible that these enhanced requirements could incur a market uplift against the estimated efficiency savings which currently show as a range between £1.4m - £1.8m.
- 3 Potential savings for Lots 2, 3 and 4 will be reviewed as part of the delegated decision recommendation in 1.3 above.

Croydon Council

- 4 This report sets out the proposed commissioning and procurement strategy for both the future service and the Transition. The former anticipates that the Council will enter into contracts with suppliers for a term of up to 14 years to deliver the Council's Planned Maintenance and Improvements Programme to its 14,000 Council Homes, 2100 leaseholders, additional housing managed or owned by the Council, or other social housing (where Croydon has an interest including RSL's and housing vehicle arrangements); and various school and social care buildings as appropriate. The intention is to ensure certainty of delivery of the programme as a commitment to our residents and leaseholders and ensure ongoing value for money and efficiency in the management of the Housing Revenue Account and other approved budgets.
- 5 The report also covers the need to align existing contract end dates with current Suppliers of the planned maintenance programme to ensure smooth transition to the proposed contracting framework. It is important that the Council are able to maintain continuity of service provision through the Transition Strategy while new contracts for the Lots detailed in the recommendations are put in place, maintain investment and decent homes in line with the HRA business plan and asset management strategy. This will also ensure that the Council are able to continue major adaptations to vulnerable households during a period of transition.
- 6 So that the procurement timetable and contract alignment process can proceed within the necessary deadlines, the report also seeks a delegation of the power to agree the detailed strategy and procurement options for Procurements 2 – 4 and the final terms of the contract variation, valued above £5m that in accordance with the Council's Tenders and Contracts Regulations would otherwise be for Cabinet approval, to Cabinet to the Deputy Leader and Cabinet Member for Homes and Communities, in consultation with the Cabinet Member for Finance and Treasury.
- 7 The funding of up to £31m per annum will be made available from the Housing Revenue Account (up to £25m pa) and the Council's General Fund (up to £6m pa).
- 8 The contracts procured will also be available to be used by Housing and Social Services for any residential properties and by Education for schools where Croydon retains responsibility for buildings and funded from the Council's General Fund for the relevant services.

3. DETAIL

Background

- 3.1 The London Borough of Croydon housing stock comprises approximately 14,000 tenanted and 2,100 leaseholds properties. Protecting, maintaining and improving the existing Council stock is a core objective of the Housing Strategy for 2011-2015, of which planned maintenance and improvements, incorporating general building, electrical, mechanical, windows and lifts is a crucial part of the overall service.
- 3.2 The Council, building on the achievements of recent years, seeks further improvements in the effectiveness and efficiency of the overall 'housing repairs

Croydon Council

maintenance system' (i.e. responsive repairs; asset management; cyclical and planned maintenance and investment). The benefits analysis identifies additional savings, further improved outcomes based on business intelligence, customer insight and partnering to enable further improvements and responsiveness to resident needs as well as savings that can be invested back in to the Council's housing stock.

- 3.3. Overall tenant satisfaction (undertaken by MORI, a leading market research company in the UK and Ireland) has been over 70% since 2000. Croydon Landlord Services was awarded UK Housing Awards Local Authority Landlord of the year in 2012. Combined statistics following planned maintenance and improvements work consistently averages at 95% for resident satisfaction.
- 3.4 The benchmark organisation Housemark compares costs per property for a number of services and ranks each organisation. In 2012, for the major works and cyclical maintenance service Croydon ranks 8th out of 20 with an average investment per property of £1,520 compared to the lowest comparator of £1,496. This ranking should be considered in the context of Croydon's history of on-going investment in its housing stock with 100% of council homes having met the Decent Homes standard by April 2011. The Decent Homes standard remains the main requirement of national policy requirements from the social housing regulator.
- 3.5 Since 2011 the Council's strategic response to that standard has been in two phases:
 - In the first phase DASHH, supported by the Procurement Taskforce, ran a competitive process which resulted in the selection of Axis Europe Plc as its partner on housing responsive repairs, to take forward further service improvements through a commercial partnering arrangement resulting in savings of approximately 15% (£2m pa) which commenced in April 2014.
 - In this second phase the focus is on housing planned maintenance and investment.
- 3.6 Over the last twelve months a dedicated project team has developed a strategic sourcing plan that has included detailed benchmarking, engagement with tenants, leaseholders and suppliers. As a result the Council has identified opportunities to reposition the planned maintenance and improvements service by aligning a number of contracts under five main contract headings.
- 3.7 In addition, in September 2013, the Council commenced a review of all planned maintenance and improvements across the Council (not just for housing dwellings), as an opportunity to assess the ability to achieve continued improvements in service delivery and commercial arrangements, while also securing significant efficiency savings to the HRA. The proposal is to re-procure planned maintenance, (including general building), mechanical, electrical, windows and passenger lift contracts for Council Housing stock, and also offer Education and Social Services the opportunity to use the planned maintenance contracts on schools work and other residential buildings in line with the housing planned maintenance work areas proposed to be procured. This will provide additional

Croydon Council

benefits from greater economies of scale. However the Facilities Management such as the corporate Council buildings planned maintenance remains out of scope.

3.8 In March 2014, CCB approved a strategy recommending following an EU procurement process for the procurement of the planned maintenance and improvement services with a view to awarding new contracts for:

- General Building Works ,
- Electrical Works,
- Mechanical Works,
- Windows design, manufacture and installation,
- Lifts surveys, servicing, repairs and installations

To reflect the aims of the new Administration and changes to the governance arrangements around procurement and contracting, the earlier strategy. has been reviewed and is therefore being re- presented to Cabinet for approval.

Objectives & Benefits

3.9 Objectives of this revised strategy, include:

- To commission cohesive, streamlined contracts whose scope facilitates efficient programme delivery
- Maintain or improve resident satisfaction
- Integrate IT and information between diverse Croydon teams and its external partners
- ICT that supports both programme management and cyclical servicing contract management (APEX)
- Strength and innovation through the supply chain, with a focus on local employment and opportunities for Small and Medium size Enterprises (SME)
- Enhanced focus on environmental sustainability
- Maximised Corporate Social Responsibility supported by KPIs that measure local benefit, supply chains and employment and training opportunities
- Investment in Community Benefits
- Best value through long-term commitments generating market savings
- Modern and robust performance management with efficiencies in contract management maximising the proportion of total expenditure which is invested in front line delivery
- To bring the new PMI contracts in line with the Croydon London Living Wage policy

The current service provision:

3.10 The current supplier arrangements were developed to support the Council's investment strategy based primarily on a property 'needs basis' delivered through the existing strategic asset management function within the Council. The Council has a good track record of investing in its housing stock, for example achieving 100% compliance with decent homes through council funding ahead of many

Croydon Council

others, with all estates and housing stock having received some form of modernisation or improvement. The strategy for achieving this while securing value for money has been through contracting for individual components such as windows; kitchens; bathrooms etc. with 60 suppliers accounting for £26.3m of spend in 2013/14.

- 3.11 All Planned maintenance and improvement works to Croydon's housing stock are currently out-sourced to external suppliers and are delivered through a mixture of annual tenders and medium and long term contracts. Two of the largest contracts are for the delivery of kitchen and bathroom improvements which are due to expire in December 2014 (£6.5m per annum), providing a good opportunity to look at this spend and service delivery model. Also major adaptation work is similarly delivered either via the Council's long term kitchen and bathroom contractor (adapted bathrooms) or by bespoke tendering on a scheme by scheme basis. Of the c£1.1m spend in 2013/14 approximately £450k has been spent on adapted bathrooms with the remainder on building work and provision of specialist equipment.
- 3.12 There will be a requirement to extend, vary or directly award a number of the existing contracts in order to maintain the ability to deliver the planned works programmes until the new contracts are in place. Details of the contract arrangements required as part of the Transition Strategy are set out in the recommendations.

The future service provision:

- 3.13 The procurement strategy is to divide the programme into 5 Procurements to award new contracts broadly running in parallel with indicative values as shown below:

Procurement 1: General Building Works – the award of a single contract with a maximum of c£15m value per annum. This covers kitchens and bathrooms, building extensions, major conversions, aids and adaptations, roofing, underpinning, external works, security doors etc. This will also include the requirement to support highly specialist ad-hoc activities such as design; thermal imaging; EPCs (energy performance certificates); asbestos assessments and occasional provision of consultancy services for specialist areas not held in house such as structural engineers etc.

Procurement 2: Electrical – the award of possibly 3 contracts (subject to review) to the maximum total value of £5m per annum. This covers electrical rewiring, fire alarms and protection, entry phone systems, emergency lighting, etc. This will include design functions by the contractor.

Procurement 3: Mechanical – the award of possibly 3 contracts (subject to review) to a maximum total value of c£5m per annum. This covers central heating, communal boilers and pumps, cold water tanks, Legionellosis, EPCs, etc. This will include design functions by the contractor.

Croydon Council

Procurement 4: Windows – the award of possibly 3 contracts (subject to review) to a maximum total value of c£3m per annum. This covers the design, manufacture and installation of windows, (upvc, timber and metal).

Procurement 5: Lifts – the award of a single contract to a maximum value of c£3m per annum. This covers all the Council's Lifts including lift surveys and design, repairs, maintenance and servicing, lift refurbishments and replacements

- 3.14 The proposal to award new contracts offers the flexibility to vary the annual costs as funding and need could change over the life of the contracts.
- 3.15 Transfer of work from existing to new providers will be carried out with due regard to contractual provision and legal requirements, including TUPE, following the Corporate toolkit.
- 3.16 Through the procurement processes bidders will be encouraged to use SME's and the local supply chain as part of the Corporate Social Responsibility (CSR) programme. Of the 60% weighting for quality, up to one third could be allocated to CSR during the award evaluations to ensure delivery of this programme. Of the 40% price score allocation an element will be allocated to evaluate comparative CSR and community benefit costs. Additionally, the contract management will be robust to ensure that successful contractors deliver the CSR programme.

The economic, environmental and community benefits of this approach are significant and the potential opportunities will be fully mapped and explored as part of programme development and the Corporate Toolkit will be followed. We expect tenderers to offer apprenticeships; training; work experience and a range of other innovative offers as part of their tender bid, with a particular focus on local community benefits and employment. It is proposed to use the competitive dialogue and/or restricted processes as detailed in para. 3.19 to further explore and obtain maximum benefit for Croydon from CSR.

Contract term:

- 3.17 The proposed contract terms for all procurements (1 – 5) are initially for 5 years with the option for the Council to extend for up to a further 3 + 3 + 3 years (total 14 years maximum). This will offer maximum flexibility and enable the Council to align the contract end dates with the recently procured responsive repairs contract and/or with the long-term partnering external decorations contract. The contract extensions will require approval in accordance with the Tenders and Contracts Regulations following a full review of the contract performance.
- 3.18 Additionally all contracts will include an early termination clause whereby the Council (and the Contractor, under the partnership arrangements) may terminate the contract without financial penalty for any reason, upon giving adequate notice (eg. 12 – 24 months).

Croydon Council

Preferred procurement process:

- 3.19 The procurement process will need to comply with EU legislation and the contracts will be procured in compliance with the Public Contracts Regulations 2006 (as amended) following the procedures set out below:

Procurement 1 – General Building - Competitive Dialogue
Procurement 2 – Electrical - to be confirmed
Procurement 3 - Mechanical – to be confirmed
Procurement 4 – Windows – to be confirmed
Procurement 5 – Lifts - Restricted

Contract Management:

- 3.20 Contract management will be undertaken by the Head of Planned Maintenance and Improvement and the Head of the Housing Renewal supported by Stock Investment, utilising a targetted Key Performance Indicator (KPI) Framework with minimum levels of acceptable performance and incentives to perform built into the framework. Expectations on how these contracts are to be governed will be set out in tender documents and responses will form a key strand of the evaluation process, ensuring that roles, responsibilities and resources are identified and delivered.
- 3.21 Additionally, as these contracts are considered to be significant in terms of their value and importance, the corporate contract management system currently being introduced will capture important KPIs on a regular basis. This will include performance indicators for Corporate Social Responsibility initiatives.
- 3.22 Specific KPIs will be used to ensure full compliance with tendered commitments. CSR KPIs will form part of the contract management process to monitor the performance of the contract and will be primary performance drivers.

4.0 Market Profile, SME and Collaboration Opportunities

Market assessment:

- 4.1 There are a number of procurement or commissioning processes recently completed or underway for these services currently amongst London Councils, Arms-Length Management Organisations (ALMO's) and large Registered Providers. The specific approach adopted by the Council's peer group reflects the different strategic options available but there appears to be a general trend of moving from multiple small providers to larger strategic relationships. Due to the trend in moving to larger strategic relationships the market is competitive with a sufficient number of organisations offering opportunities for good, effective competition in relation to service quality, continuous improvement and price.
- 4.2 While moving to longer, larger strategic relationships makes economic and qualitative sense, there is a need to design the procurement process so that it is inclusive and provides opportunities for the SME sector as well as large National

Croydon Council

organisations with large turnover. The supply chain in the planned maintenance and improvement programme is a critical factor in the success of this strategy and supporting local employment and community benefit.

4.3 The tender opportunities will be advertised on the Council’s website in addition to the London Tenders Portal and the official European Journal. The Cabinet Office has recently issued guidance for Local Authority tenders to help SME’s to compete and the Council will follow this guidance where appropriate. The tenders will also require bidders to provide details of Corporate Social Responsibility and this should include opportunities for which help the local economy of Croydon including local sub-contracting and the supply chain.

4.4 The benefits needed will be achieved through a range of methods, including:

- Local Employment and Training Opportunities
- Supply Chain Opportunities
- Community Benefits
- Council Requirements

5.1 Indicative Timetable (Procurement 1)

PROVISIONAL INDICATIVE PROJECT PLAN: Procurement 1	
5.1 Pre tender preparation:	
SSP to Project Board	March 2014
Report to CLT	March 2014
Opportunity assessment	March 2014
Contracts and Commissioning Board – provisional Procurement Strategy	March 2014
Contracts and Commissioning Board – Revised Procurement Strategy	September 2014
Finalise PQQ documentation:	March - Sept 2014
Prepare Draft Specifications	March – Sept 2014
5.2 Advertising and Pre-Qualification Questionnaires (PQQ’s):	
Publish OJEU and Advert	Oct 2014
PQQ close	Nov 2014
Financial section of PQQ responses evaluated	Nov 2014
All sections of PQQ’s evaluated	Nov 2014
Finalise ITT documentation:	December 2014
5.3 Tendering:	
Issue tenders	December 2014
Tender close (includes competitive dialogue)	June 2015

Croydon Council

Evaluate	June 2015
Select provider(s)	June 2015
5.4 Approval and award:	
Submit award report for Board approval	June 2015
Submit report to CCB	June 2015
Present award report to Corporate leadership team (CLT) and Leadership	June/July 2015
Present Award Report to Cabinet	June/July 2015
Scrutiny call in period	Aug 2015
Issue successful and unsuccessful letters	August 2015
Commence Alcatel (if OJEU)	August 2015
Complete leaseholder consultation	September 2015
Confirm Award letters	September / October 2015
5.5 Contract management	
Contract signed, commence mobilisation	November 2015

5.6 The indicative timetable for the Transition Strategy and contract extensions is as follows:

Delegated Approvals	September 2014
Issue VEAT Notices as required	October 2014
Contract letters sent	October 2014
Commencement of Extensions	November 2014

5.7 The detailed timetable for the other Procurements will be further developed once the detailed strategy and procurement options for Procurements 2-4 are agreed. The procurement timetable for Procurement 5 – Lifts will mirror the timetable set out in 5.1, but the contract commencement will be set for July 2016, when the current FM contract expires.

6.0 The proposed tender process

6.1 This procurement will be advertised in accordance with the EU procurement regulations and entail the publication of OJEU Notice(s). The opportunity will also be advertised on the London Tenders Portal and the Council's website. The tenders will be returned electronically via the e-tendering portal. Evaluation panels will be established to assess each submission and will be evaluated in accordance with the Tenders and Contracts Regulations and Corporate Evaluation Guidance to ensure probity and value for money and that the most economically advantageous contractors are chosen.

Croydon Council

- 6.2 **Bidder evaluation:** The award criteria will be based upon the most economically advantageous tender(s) with Quality 60%, Price 40%. For these procurements, the greater emphasis is placed upon quality as works are carried out around or within residential properties and customer relations are crucial to the performance of the contracts. Additionally, CSR, community benefit, environmental sustainability and ICT interfaces are important factors to be considered at evaluation stage. Detailed evaluation criteria for each procurement as well as establishing evaluation panels, including resident representatives has been developed through workshops with stakeholders.
- 6.3 **Bidder stability:** The Council needs to satisfy itself that the successful contractors have the economic and financial standing and the capability in meeting the financial obligations anticipated under the contracts.
- 6.4 **Value for money:** In order to achieve good value for money and to protect the Council's interests and reputation, a competitive tendering process which complies with the Council's Tenders and Contracts Regulations (T&CR) will be undertaken.

7.0 REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

7.1 The recommendations proposed provides the best solution to maximise benefits set out in section 3.9 and is the best approach to deliver the objectives to be achieved, namely:

- Potential efficiency savings to the HRA of Procurement 1 General Building through taking advantage of the market position (time limited)
- Significantly Increased Corporate Social Responsibility and Community Benefit opportunities and benefits
- Certainty of delivery for the programme to maintain decent homes, health and wellbeing and resident satisfaction
- Strong asset management and links to other strategic parts of the cycle such as repairs through a strategic alliance
- To bring the new PMI contracts in line with the Croydon London Living Wage policy

8. ANY OPTIONS CONSIDERED

- 8.1 A range of options have been considered and the options analysis of Procurement 1 General Building and Procurement 5 Lifts has resulted in the recommendations of this report.
- 8.2 The options for Procurements 2, 3 and 4 will be further reviewed as per recommendation 1.3.
- 8.3 Delivery of the works element of the capital programme is already out-sourced with strategic direction, programme, budget setting and monitoring; operational

Croydon Council

management and supervision carried out by DASHH Croydon Landlord Services supported by the internal client function in Stock Investment. The intention would be to continue to outsource the works and some associated service elements with the Council retaining a strong client management role and function and strategic overview of the entire 'Housing maintenance system'.

9 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

9.1 In relation to the scope of the procurement activities, the current allocated funding for this project is broken down below. This funding is currently contained within the HRA business plan but could be subject to change as the plan is reviewed and refreshed. The contracts need to have the ability to enable the Council to vary the level of spend as appropriate over the life of the contracts.

	Current year	Medium Term Financial Strategy – 3 year forecast		
	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
Total Budget available:	25,000	25,000	31,000	31,000
HRA	25,000	25,000	25,000	25,000
General Fund			6,000	6,000
Effect of decision from report				
Expenditure	25,000	25,000	31,000	31,000
Remaining budget	0	0	0	0

a. Effect of the Decision:

Full year efficiency savings for Procurement 1 General Building have been estimated as between £1.4m - £1.8m per annum. Using a range of benchmarks available from recent tender activity, it is possible to make an assessment of the range of savings that could be delivered through an effective procurement process.

b. Risks:

This project has been put on the corporate risk register. A full project risk register has been developed for this project.

Procurement Delay. The main risk at the moment is that of delays giving formal approval to the project which will result in loss of anticipated savings and possibly higher prices going later to a rising market.

ICT/business transformation is the second highest risk.

Croydon Council

Finance issues: The works and services utilised by Housing are fully funded by the HRA Capital and Revenue Accounts. There is a financial risk of delaying the procurement timetable, estimated at approximately £200k per month.

Approved by: Lisa Taylor Head of Finance and deputy Section 151 Officer

10.0 COMMENTS OF THE COUNCIL SOLICITOR

10.1 The Solicitor to the Council comments that the procurement strategy proposed within this report is in accordance with the Council's Tenders and Contracts Regulations and seeks to support the Council's duty to achieve Best Value pursuant to the Local Government Act 1999.

10.2 In relation to the contracts engaged by the transition strategy, detailed legal advice will be provided in respect of any procurement implications.

Approved by: Gabriel Macgregor, Head of Corporate Law on behalf of the Council Solicitor & Monitoring Officer

11.0 HUMAN RESOURCES IMPACT

11.1 There are no immediate HR implications that arise from the recommendations in this report for LBC staff. However, this paper makes recommendations involving a service provision change which may invoke the effects of the Transfer of Undertakings (Protection of Employment) 2006 Legislation. If this was the case, then all staff that predominantly who work in the identified third party provider will transfer to the new provider and the Council will have no other role than to facilitate that process. This process may be further complicated by splitting the service provision between transferee providers and further HR advice should be sought if this were to be the case.

11.2 There are also references to the APEX Project; there may also be HR implications that arise from this piece of work, which should be referred to HR when its detailed recommendations are known.

Approved by: Michael Pichamuthu, Strategic HR Business Partner (on behalf of Heather Daley, Director of Workforce).

12.0 EQUALITIES ANALYSIS

12.1 An initial Equality Analysis has been completed and a full analysis will be required as part of the commissioning process. The works will be delivered to some of the most vulnerable residents in Croydon and as such will need to be assessed as fully meeting their needs in terms of customer care and quality of delivery.

Croydon Council

13.0 ENVIRONMENTAL IMPACT

13.1 There will be a range of environmental opportunities arising from the proposed procurement being both contractors own environmental practices; on site waste reduction and recycling and the opportunities to move towards more sustainable/environmentally friendly products and new technology over time. There will be a specific requirement that where appropriate, contractors should bid for and obtain any relevant environmental funding (e.g. ECO funding) that can be used to further invest in environmental measures. This will be further developed during project planning and procurement.

14 CRIME AND DISORDER REDUCTION IMPACT

14.1 There are no direct crime and disorder impacts identified as a result of the proposed contract award.

15 FREEDOM OF INFORMATION (FoI) / DATA PROTECTION CONSIDERATIONS

15.1 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 the specific procurement exercise and contract which are the subject of this report, 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.

15.2 Subject to approval of the recommendation details of the successful bidder and contract award will be published as part of the Council's Contracts Register.

16 CUSTOMER IMPACT

16.1 A detailed CIA will be undertaken as part of the commissioning process. The works will be delivered to some of the most vulnerable residents in Croydon and as such will need to be assessed as fully meeting their needs in terms of quality of delivery.

17 HUMAN RIGHTS IMPACT

17.1 There are no adverse impacts identified in relation to the Human Rights Act 1998.

18 CONSULTATION

18.1 An initial briefing was provided at Tenant and leaseholder panel on 22nd July 2014 and this will be an on-going commitment on a quarterly basis.

18.2 The Statutory Section 20 leaseholder consultation process has commenced

18.3 A comprehensive survey of residents and other stakeholders views on existing services and future expectations has been carried out and residents will be fully involved in all aspects of procurement as well as on-going performance management.

CONTACT OFFICER:

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BACKGROUND PAPER:

Options Paper v.16 (confidential & exempt from public disclosure)