

# Croydon Council

<b>REPORT TO:</b>	<b>CABINET 22<sup>nd</sup> February 2016</b>
<b>AGENDA ITEM:</b>	<b>10.1</b>
<b>SUBJECT:</b>	<b>Investing in our borough</b>
<b>LEAD OFFICER:</b>	<b>Sarah Ireland, Director of Strategy Communities and Commissioning</b>
<b>CABINET MEMBER:</b>	<b>Councillor Simon Hall Cabinet Member for Finance and Treasury</b>
<b>WARDS:</b>	<b>All</b>
<b>CORPORATE PRIORITY/POLICY CONTEXT:</b> Effective outcome based commissioning and prudent financial transactions contribute to all corporate priorities.	
<b>AMBITIOUS FOR CROYDON &amp; WHY ARE WE DOING THIS:</b> 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 <i>"to be innovative and enterprising in using available resources to change lives for the better."</i>	
<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 the recommendations in Section 1 of the report are not 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 Strategy Communities and commissioning, between 23/12/2015 – 22/01/2016.
- 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 Property acquisitions and disposals to be agreed by the Cabinet Member for Finance and Treasury before 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 Treasury and with the Leader in certain circumstances, before the next meeting of Cabinet.
- Delegated contract award decisions made by the Director of Strategy Communities and Commissioning 23/12/2015 – 22/01/2016.
- Delegated award decisions made by the nominated Cabinet Member and the Cabinet Member for Finance and Treasury in respect to the Revolving Investment Fund (RIF) since last reported to 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;
- 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.
- 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 Strategy, Communities and commissioning, between 23/12/2015 – 29/01/2016.

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 property acquisitions and disposals to be agreed by the Cabinet Member for Finance and Treasury before the next meeting of Cabinet.

3.5 Procurement strategies where the value of the proposed contract is above £5m and approved under the Leaders delegation by, as appropriate, Executive Directors for Place and People departments or the Assistant Chief Executive Corporate Resources for the Resources department in consultation with the Cabinet Member for Finance and Treasury are available on the Croydon Council website found via this link [Procurement Strategies](#)

3.6 The Council's Commissioning 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 £500k to £5m 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>
One Oracle Hosting & Support. 2 year contract extension	Total contract term £924,000 Annual value £419,000 in year 1 and £505,000 in year 2		Resources / Cllr Simon Hall
Demand Management & Financial Sustainability Phase 2 Professional Advice Services.	Total contract term estimated £1.2m		Resources / Cllr Hall
Contract variation to extend the supply of car club vehicles for hire (i.e. pool cars) contract. 1year.	Contract extension value £225,000		Resources / Cllr Simon Hall

**4.2 Delegated award decisions made by the Director of Strategy Communities and Commissioning**

4.2.1 Revenue and Capital consequences of delegated decisions made by the Director of Strategy, Communities and Commissioning for contract awards between £100k & £500k 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>
Short term contract for Electronic Payment Services. Director of SCC award due to value being greater than 10% of the original contract award value. The contract term has increased	Total contract award value £80,000		Resources
Provision of office furniture for Bernard Weatherill House to enable the Council to Let accommodation generating significant rental income	Total contract award value £275,000		Resources

**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>
Croydon Best Start Child Development & School Readiness Services (Designated Children's Centres) 2016-2018. Initial term of 2 years with an option to extend for a further 1 year.	Total contract value £6,487,599 Approx. annual value £2,162,533		People

**4.4 Property acquisitions and disposals over £500k to be agreed by the Cabinet Member for Finance and Treasury.**

<b>Contract Title</b>	<b>Disposal/income</b>	<b>Acquisitions/ expenditure</b>	<b>Dept</b>
Letting of the 11th and 12th floors of Bernard Weatherill House	£4.4m		Resources
Sale of Jeanette Wallace House	£4m		Resources

Approved by: Dianne Ellender, Head of Finance and Deputy Section 151 Officer

**5. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER**

5.1 The Council Solicitor comments that the information in this report reflects the requirements of the Council's Tenders and Contracts Regulations and the council's Financial Regulations in relation to the acquisition or disposal of assets.

Approved by: Gabriel Macgregor, Head of Corporate Law, on behalf of the Council Solicitor 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: Michael Pichamuthu, Strategic HRBP on behalf of Heather Daley, 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>	Genine Whitehorne
<b>Post title:</b>	Head of Commissioning and Procurement
<b>Telephone no:</b>	60584

### **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](#)

- One Oracle Hosting & Support - contract extension
- Contract variation to extend the supply of car club vehicles for hire (i.e. pool cars) contract.
- Letting of the 11th and 12th floors of Bernard Weatherill House
- Sale of Jeanette Wallace House

The following public background report is not printed with this agenda. It is to follow and will added to the website agenda papers on 18 February 2016.

- Demand Management & Financial Sustainability Phase 2 Professional Advice Services.

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

The following Part B background documents are available to Council Members on request but 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).

- One Oracle Hosting & Support - contract extension
- Letting of the 11th and 12th floors of Bernard Weatherill House
- Sale of Jeanette Wallace House

The Part B background document in relation to:

- Demand Management & Financial Sustainability Phase 2 Professional Advice Services.

will be available to Council Members on request from 18.02.16