

Cabinet Background Documents



12. Investing in our Borough (Pages 3 - 18)

Officer: Jacqueline Harris Baker

Key decision: no

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COVID-19 Cabinet Member Delegated Decision

Summary Report & Recommendations

1. Details

Project title:	Contract Extension – Corporate Cleaning Contract
Name and role of report author:	Amanda Lilley – Category Manager (Construction and Maintenance)
Directorate and Service Area:	Homes and Social Inclusion
Executive Director: Director of Homes and Social Investment Head of Corporate Support Service:	Ozay Ali Shelley Williams
Statutory Service (Yes or No):	Yes
Procurement Stage (RP2 or RP3):	RP3
Key Decision (Yes or No - if Yes, include ref and if using General Exemption):	No

2. Summary

The existing contracts for the provision of Corporate cleaning contract with Churchill Contract Cleaning is due to expire during July 2020 which was for a total contract value of £6.1m. The existing contract was for an initial period of 3 years with options to extend for up to 2 further periods of 12 months up to a maximum period of 5 years (3+1+1) at a maximum total contract value of £7.854m (CCB1059/15-16) and on 16th November 2015, Cabinet approved the original award of contract (Min. Ref. A115/15). The first extension period having already been exercised, it is proposed to exercise the second extension option for the final 12 months from 4th July 2020 to 3rd July 2021 at an anticipated value of £1.75m bringing the overall contract value to £7.85m.

Since this is in accordance with the original OJEU Award Notice contract value range and the contract term, from PCR2015 perspective, the Council will remain compliance with the regulations including the Council's standing orders (Tender and Contract Reg).

Under the Health and Safety at Work Act 1974, and more specifically the Workplace (Health, Safety and Welfare) Regulations 1992, employers have a responsibility to ensure that the workplace is kept sufficiently clean and tidy. The Council has a legal obligation to ensure a premises are kept clean, safe and to provide a healthy ('hygienic') environment for all employees and workers, and must take their welfare needs into account.

During March 2020 in response to COVID-19, the Council agreed to close some of its buildings therefore it was agreed for the cleaning operatives to undertake deep cleaning, cleaning of Council's existing buildings and care homes as and when instructed. They work in accordance with Government guidance on social distancing.

To ensure a new long term contract is implemented by 3rd July 2021, a procurement strategy report will be submitted to CCB, with the Council's intention to issue a Prior Information Notice. This is to enable the market to be informed of the proposed indicative procurement timescales with regards to the publication of the ITT pack.

Reasons for recommendations

Due to the unforeseen COVID-19 pandemic, whereby the Corporate FM Support Service and C&P Place and Resources Teams have had to divert their attention to priority one related activities and to prevent risk to property, environment, staff and residents, it is imperative to ensure continuity of cleaning service provision is maintained. This urgent CCB Procurement Summary application has been submitted in response to this, waiving the requirement for the Council's standard report to minimise further delays and impact on the finite resources during this critical time.

Options considered and rejected

The Council has considered the following options:

Option 1 (not recommended) - Re-procurement: for the reasons set out above due to Covid-19, the Council already has an existing contract with Churchill Ltd that offers value for money and provides continuity of service provision. There are also ongoing deep cleaning and other cleaning requirements which may become overdue and therefore a change in contractors at this time would interrupt workflow and likely cause further delay.

Option 2 (not recommended) – do nothing: this is a statutory service and advice from Public Health England is to continue to deliver in the current circumstances, as explained above.

Option 3 (recommended) – extend to the second and final term of contract for 12 months from July 2020 to July 2021 to ensure continuity of service provision is maintained. This will also enable a meaningful procurement process whereby the procurement timescales can be informed through market engagement via prior information notice.

Therefore, it is recommended in response to the Covid-19 virus for CCB to approve:

- The extension of the existing contract with Churchill Ltd from 3rd July 2020 to 2nd July 2021 for the final 12 months of the contract term at a maximum contract value of £1.75m;

3. Recommended Procurement Strategy during COVID-19

Recommendation:

Pursuant to Part 5 A Article 1.7 (Urgency Decisions) of the Council's Constitution the Cabinet Member for Finance & Resources is requested to approve:

1. The permitted extension of the existing contract with Churchill Ltd from 3rd July 2020 to 2nd July 2021 at a value of £1.75m bringing the total contract value to £7.85m.

4. Financial Implications

Details	Internal Capital	Revenue	Period of funding	External		Period of funding
				Capital	Revenue	
General Fund		£1.75m	12 months from July 2020			

5. Actions

Action	Action owner	Date
Formalise contract extension with Churchill Contract Services at a total contract value of £1.6m.	Category Manager/Head of Service – Corporate FM	April/May 2020
Submit RP2 Strategy Report for Long Term provision to CCB for Approval during May/June 2020	Category Manager/Head of Service – Corporate FM	May/June 2020
Issue OJEU PIN (Prior Information Notice) to enable Market to be aware of anticipated procurement timescales	Category Manager/Head of Service – Corporate FM	June 2020
Finalise ITT Pack ready for release to Market	Category Manager/Head of Service – Corporate FM	September 2020
Award of Contract	Category Manager/Head of Service – Corporate FM	December 2020

6. Outcome and approval

Outcome	Date agreed	
	CCB	CCB1575/20-21
	Cllr Hall	11/05/2020
	Leader/Lead Member	

COVID-19 Cabinet Member Delegated Decision

Summary Report & Recommendations

1. Details

Project title:	Adults Social Care IT System (AIS/SWIFT) Extension
Name and role of report author:	Fahid Ahmad, Business Data Analyst, 020 8604 7267
Directorate and Service Area:	People, Adults
Executive Director: Director/Head of Service:	Guy Van Dichele
Statutory Service (Yes or No):	Yes
Procurement Stage (RP2 or RP3):	RP3
Key Decision (Yes or No - if Yes, include ref and if using General Exemption):	No

2. Summary

Summary of project, issue, cost and status, reason for urgency (see Appendix 1A/B), and recommendation.

A new Adults Social Care IT system (Liquid Logic) has been procured following an Open tender, with a target date to become operational by the end of September 2020 with a contingency allowing it to be moved to the end of December 2020 at the latest. In the meantime, the existing legacy adult social care system AIS/SWIFT, supported by OLM will continue to be required by the service as the main back office system to manage cases.

The original contract with OLM was due to expire on 30 April 2020. This original contract was let in 2017 at a value of £242k. CCB have previously approved an extension until 31 October 2020 with OLM, ref CCB1472/18-19 on 12/04/2019. This added an additional £200,302 to the contract value.

The migration to the new system was due to be completed however an extension beyond October 2020 is needed because of resource impact caused by COVID-19 placing a restriction on available resources for the project team and from adult social care and CDS diverted to focus on and support the response to the crisis. The project team are endeavouring to complete the migration by September 2020 but the project deliverables have been impacted by staff absences and the concentration on providing support for the response to COVID-19. (note that the provider of the replacement system, Liquid Logic, are being paid implementation milestones as elements of the solution are implemented and migrated)

Under PCR Reg 72.1.c the need for modification has been brought about by circumstances which a diligent contracting authority could not have foreseen, therefore the risk of procurement challenge is low.

The extension value of £71,040 is 29% of the original contract value of £242,000.

3. Recommended Procurement Strategy during COVID-19

Recommendation:

Pursuant to Part 5 A Article 1.7 (Urgency Decisions) of the Council's Constitution the Nominated Cabinet Member for Finance and Resources in consultation with Leader is recommended as the relevant body to:

1. Approve to vary to extend the contract under regulation 30 of the tenders and contract regulations for the Adults Social Care (AIS/SWIFT) IT systems contract with OLM Systems Limited for a contract term of six months from October 2020 at a cost of £71,040 for a maximum contract value of £513k for the reasons set out in this report:

A Cabinet member decision is needed as the total contract value will exceed £500k as a result of the extension.

Impact on Service?

The current system remains in use while the migration takes place, loss of use of the current system before the migration to the Liquid Logic system is completed would bring risk to adult social care services and the vulnerable persons in receipt of the social care service.

Options considered and rejected

There are only 2 options do nothing and let the contract expire or extend the contract.

Do nothing.

This would lead to existing contracts expiring before the migration to the new system is completed leaving the council with no right to use the adults social care system.

Reason for Recommendations and Urgency

The migration to the new system was due to be completed however an extension beyond October 2020 is needed because of resource impact caused by COVID-19 placing a restriction on available resources for the project team and from adult social care and CDS diverted to focus on and support the response to the crisis. The project team are endeavouring to complete the migration by September 2020 but the project deliverables have been impacted by staff absences and the concentration on providing support for the response to COVID-19.

Impact on Market

The supplier is fully aware of the council migration to the Liquid Logic system as they were a bidder when the tender was conducted. There were only two bids for the adult social care system when the tender was conducted for a 10 year term. The extension is a short term solution and unlikely to attract interest or challenge.

4. Financial Implications

Details	Internal Capital	Revenue	Period of funding	External		Period of funding
				Capital	Revenue	
The proposed extension to the Adults Social Care (AIS/SWIFT) IT systems will be for six months from 1st November 2020 until 30th April 2021. This extension to the current contract will be funded from CFA227 – the programme budget. The total anticipated cost over a six month extension will be £71,040.	£71,040		6 Months			

5. Actions

Action	Action owner	Date

6. Outcome and approval

Outcome	Date agreed	
Approved - CCB1571/20-21	CCB	24/04/2020
	Leader/Lead Member	

Appendix 1:

A. Summary of regulations (PCR 2015)

- Various options already exist:
 - direct award due to extreme urgency (Reg. 32(2)(c))
 - direct award due to absence of competition or protection of exclusive rights (Reg.32(2))
 - call off from an existing framework agreement or DPS
 - call for competition using a standard procedure with accelerated timescales – *further info below*
 - extending or modifying a contract during its term (72(1)(c)) – *further info below*
- Depending on specific nature of requirement there may also be the following options:
 - additional delivery of supplies from an existing supplier (Reg. 32(5))
 - additional similar works or services from an existing supplier (Reg. 32(9))
 - using the services of a subsidiary of another contracting authority (Reg. 12)
- **Using a standard procedure with accelerated timescales due to urgency**
 - can reduce minimum timescales if a state of urgency renders the standard timescales impracticable
 - for open procedure, timescales can be reduced to 15 days for receipt of tender plus min. 10 days for standstill
 - no express requirement for situation to be unforeseeable or not attributable, but should set out in OJEU notice a clear justification; e.g.:
“The COVID-19 outbreak has given rise to an urgent need for the supply of [description of what is being procured] because [explanation of urgency]. This does not give [name of contracting authority] sufficient time to comply with the standard [open procedure / restricted procedure / competitive procedure with negotiation] timescales for this procurement. [Contracting authority] considers this to be a state of urgency which it has duly substantiated. Accordingly, [contracting authority] is using the accelerated time limits permitted under the Public Contract Regulations 2015 (regulation [27(5) for the open procedure / 28(10) for the restricted procedure / 29(10) for the competitive procedure with negotiation]) in respect of this procurement”.
- **Extending or modifying a contract during its term (Reg. 72(1)(c)):**
 - contracts can be modified without a new procurement procedure in any of the following cases, and where the conditions are met:
 - (c)(i) *the need for modification has been brought about by circumstances which a diligent contracting authority could not have foreseen*
 - (c)(ii) *the modification does not alter the overall nature of the contract*
 - (c)(iii) *any increase in price does not exceed 50% of the value of the original contract or framework agreement*
 - Need to demonstrate specific reason relating to COVID-19 outbreak that decision was taken, e.g. staff are diverted by procuring urgent requirements to deal with COVID-19 consequences, or staff are off sick so cannot complete a new procurement exercise.
 - should publish the modification by way of an OJEU notice to say you have relied on regulation 72(1)(c)
 - multiple modifications are permissible but each one should not exceed 50% of the original contract value
- Other grounds under Reg 72 may also exist

B. Justification for Urgency (Part 5A article 1.7 of the Constitution)

- Where the Executive Director or other Director preparing a report ... is of the opinion that a relevant decision should be made urgently in order to prevent or reduce the risk of damage to persons or property or to the interests of the Authority, and that the urgency of the matter is such that it is not practicable to complete the decision making process set out above
- Applying the above to the COVID-19 situation, the urgency route should only be used for:
 - Services, supplies etc. relating to COVID-19 (e.g. PPE)
 - Contracts impacted by COVID-19 (e.g. supplier relief)
 - In the context of the current situation where there is unexpected and immense pressure on capacity and resources while the Council responds to the COVID-19 situation, to enable interim measures to be implemented e.g. roll on of required services which would otherwise have been re-procured.

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COVID-19 Cabinet Member Delegated Decision

Summary Report & Recommendations

1. Details

Project title:	Contract Extension – Corporate Security Contract
Name and role of report author:	Amanda Lilley – Category Manager (Construction and Maintenance)
Directorate and Service Area:	Homes and Social Inclusion
Executive Director of Homes and Social Investment: Head of Support Service:	Ozay Ali (Director of Homes and Social Investment) Shelley Williams
Statutory Service (Yes or No):	Yes
Procurement Stage (RP2 or RP3):	RP3
Key Decision (Yes or No - if Yes, include ref and if using General Exemption):	No

2. Summary

The existing contracts for the provision of Corporate security contract with Profile Security Ltd is due to expire during July 2020 which was for a total contract value of £3.28m. The original award of the existing contract (CCB1130/16-18 and Cabinet Ref: A46/16) was for an initial period of 3 years with options to extend for up to 2 further periods of 12 months up to a maximum period of 5 years (3+1+1) at a maximum total contract value of £4.250m. The first extension period having been exercised, there remains an option for the Council to extend the existing contract for the final 12 months from 4th July 2020 to 3rd July 2021 at an anticipated value of £880k bringing the overall contract value to £4.16m.

Under the Health and Safety at Work Act 1974, employers have a responsibility to ensure that the workplace is kept secure and safe. Therefore the Council has a legal obligation to ensure premises are secure and safe environment for all employees and workers, and must take their welfare into account. This is a core service that has to be provided.

The Council must:

- So far as is reasonably practicable as regards any place of work under the employer's control, there is a requirement to ensure the work place is safe and without risks to health and the provision and maintenance with regards to the means of access to and egress from it, shall be safe and without such risks;
- The provision and maintenance of a working environment for its employees that is, so far as reasonably practicable, safe, without risks to health, and adequate as regards to its facilities and arrangements for their welfare at work.

It is to be noted that the procurement strategy (RP2) was drafted with the aim to implement a contract incorporating the Council's overall security related requirements as following the commissioning review, the spend analysis identified that there was a separate expenditure relating to the provision of 'Waking Watch' security provision for the emergency temporary accommodation properties (Concorde; Sycamore and Windsor). This is currently being provided via Sigma Security on a rolling agreement and a separate CCB Procurement Summary report will be submitted to CCB.

To ensure a new long term contract is implemented by 3rd July 2021, a procurement strategy report will be submitted to CCB, with the Council's intention to issue a pre-market engagement exercise with the approved Public Sector Framework Providers. This is to enable the market to be informed of the proposed indicative procurement timescales with regards to the publication of the ITT pack.

Reasons for recommendations

Due to the unforeseen COVID-19 pandemic, whereby the Corporate FM Support Service and C&P Place and Resources Teams have had to divert their attention to priority one related activities and to prevent risk to property, environment, staff and residents, it is imperative to ensure continuity of manned security provision is maintained. This urgent CCB Procurement Summary application has been submitted in response to this, to minimise further delays and impact on the finite resources during this critical time.

Options considered and rejected

The Council has considered the following options:

Option 1 (not recommended) - Re-procurement: for the reasons set out above due to Covid-19, the Council already has an existing contract with Profile Ltd that offers value for money and provides continuity of service provision. There are also ongoing security requirements therefore a change in contractors at this time would interrupt workflow and likely cause further delay.

Option 2 (not recommended) – do nothing: this is a statutory service and advice from Corporate FM is to continue to deliver in the current circumstances, as explained above.

Option 3 (recommended) – extend to the second and final term of contract for 12 months from July 2020 to July 2021 to ensure continuity of service provision is maintained. This will also enable a meaningful procurement process whereby the procurement timescales can be informed through market engagement via prior information notice.

Therefore, it is recommended in response to the Covid-19 virus for CCB to approve:

- The extension of the existing contract with Profile Ltd from 3rd July 2020 to 2nd July 2021 for the final 12 months of the contract term at a maximum contract value of £880k;

3. Recommended Procurement Strategy during COVID-19

Recommendation:

Pursuant to Part 5 A Article 1.7 (Urgency Decisions) of the Council's Constitution the Cabinet Member for Finance & Resources is recommended:

1. The exercise of the final 12 month extension option of the existing contract with Profile Ltd Ltd from 3rd July 2020 to 2nd July 2021 at an anticipated value of £880k bringing the overall contract value to £4.16m.

4. Financial Implications

Details	Internal Capital	Revenue	Period of funding	External		Period of funding
				Capital	Revenue	
General Fund		£0.880	12 months from July 2020			

5. Actions

Action	Action owner	Date
Formalise contract extension with Profile Security Services at a total contract value of £880k.	Category Manager/Head of Service – Corporate FM	April/May 2020
Submit RP2 Strategy Report for Long Term provision to CCB for Approval during May/June 2020	Category Manager/Head of Service – Corporate FM	May/June 2020
Issue Pre-Market notification with the public sector Framework Agreement Providers to enable Market to be aware of anticipated procurement timescales	Category Manager/Head of Service – Corporate FM	June 2020
Finalise ITT Pack ready for release to Market	Category Manager/Head of Service – Corporate FM	September 2020
Award of Contract	Category Manager/Head of Service – Corporate FM	December 2020

6. Outcome and approval

Outcome	Date agreed	
APPROVED - CCB1572/20-21	CCB	30/04/2020
	Leader/Lead Member	

COVID-19 Cabinet Member Delegation Decision

Summary Report & Recommendations

1. Project Details	
Project Title:	Pay and Display Machines
Name, role and contact of report author:	Chaz Blackwood, Service Delivery Officer
Executive Director:	Shifa Mustafa
Directorate and Service Area:	Public Realm, Parking
Project Sponsor (Director or above)	Steve Iles
Statutory Service (Yes or No)	Yes
Project Stage (RP2 or RP3)	RP3
Key Decision (Yes or No - if Yes, include ref and if using General Exemption):	2520ETR The decision may be implemented from 1300 hours on the 6th working day after the decision is made, unless the decision is referred to the Scrutiny & Overview Committee by the requisite number of Councillors.

2. Summary

In 2011, following an OJEU compliant tender under the open procedure, the Council awarded a contract to Parkeon for the supply and installation of pay and display machines. The contract was let for an initial term of five years, with an extension option of one year at a maximum value of £5m over the full term (6 years). As such the contract expired in 2017.

This contract with Parkeon (now Flowbird) has now expired.

This report is seeking approval to utilise the ESPO Parking Management Solutions Framework Agreement to allow a direct award with the current provider Flowbird for the supply and installation of pay and display machines for a call off contract term of 4 years, and a maximum contract value of £2,000,000.

The ESPO framework allows for direct award process to Flowbird. The direct award procedure under the framework will be followed. The machines will be bought and as when required against specific project budget codes. The ESPO framework has been assessed as offering greater value for money than alternative sourcing routes. The contract would operate based on no guarantee of volume or spend through a 'call-off' arrangement, with individual contract orders placed in line with the financial regulations, subject to the availability of agreed budgets. Through the Framework Agreement, the Council will continue to provide a combination of coin, contactless and credit/debit card facilities

Please also note that the Parkeon machines only have three accredited Payment Service Providers and Acquirers for processing cashless payments (SimplyPay, now called Till Payment Solutions; Six Payment Solutions; and Elavon) that can safely interface with the installed software on the machine. A separate report is being submitted in relation to this.

Reasons for Recommendation:

Covid-19 has meant there are capacity constraints in the Commissioning and Procurement Place & Resources team, with staff being redeployed to other teams and departments. As such, it is not possible to follow the usual RP2 and RP3 report process, so this report seeks a direct award from the ESPO framework to allow the Council to still procure with the current levels of resources. The Council currently have no contract in place for Pay and Display machines. The Council are able to receive income through these machines, so having the contract in place will ensure this revenue stream.

Options considered:

1. Extend the current contract (not recommended) – this was rejected because there is no formal contract/arrangement in place and leaves the Council at risk.
2. Re-procure via an open procedure (not recommended) – as explained above, due to Covid-19 there are constraints on resources, meaning this is not possible at this time.
3. Call-off from an existing framework via a mini-competition (not recommended) - as explained above, due to Covid-19 there are constraints on resources, meaning this is not possible at this time.
4. Call-off from an existing framework via a direct award (recommended) – as explained above, the ESPO framework has been assessed as offering better value for money than alternative sourcing routes. Under this framework agreement Flowbird’s rates are competitive and we are already familiar with the provider, having previously contracted with them.

3. Recommended Procurement Strategy during COVID-19

Recommendation for CCB:

Pursuant to Part 5 A Article 1.7 (Urgency Decisions) of the Council’s Constitution the Nominated Cabinet Member for Environment, Transport & Regeneration in consultation with Cabinet Member for Finance and Resources is recommended as the relevant body to:

1. Approve the direct award for the purchase of Pay and Display machines from the ESPO framework 509 to Flowbird. The contract to be let for a term of four years, with a maximum value of £2,000,000 over the full term.

4. Financial Implications

Details	Internal Capital	Revenue	Period funding of	External		Period of funding
				Capital	Revenue	
Pay and Display Machines		2,000,000	4 years			

5. Agreed actions

Action	Action owner	Date
Instruct legal to review framework	Melissa Bower	23/04/20

6. Outcome and approval

Outcome	Date agreed	
	CCB	CCB1576/20-21
	Cllr Hall	11/05/2020
	Leader/Lead Member	