

<b>Meeting</b>	Cabinet Resources Committee
<b>Date</b>	7 November 2012
<b>Subject</b>	<b>Contract Procurement Plan</b>
<b>Report of</b>	Cabinet Member for Resources and Performance
<b>Summary</b>	This report sets out the detail of planned contract procurement activity for the financial year 2013/2014 for approval.

<b>Officer Contributors</b>	Lesley Meeks, Assistant Director of Commercial Assurance, Ian Harrison, Procurement Consultant Haroon J Khan, Business Analyst (Commercial Services)
<b>Status (public or exempt)</b>	Public
<b>Wards Affected</b>	All
<b>Key Decision</b>	Cabinet Resources Committee
<b>Reason for urgency / exemption from call-in</b>	Not applicable
<b>Function of</b>	Executive
<b>Enclosures</b>	Appendix 1 – Procurement activity by service area for 2013/14
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## **1. RECOMMENDATIONS**

- 1.1 That approval be given for Officers to proceed with the contract procurement activity for the 2013/14 financial year as set out in the Appendix 1 to this report subject to budget availability.**

## **2. RELEVANT PREVIOUS DECISIONS**

- 2.1 Cabinet, 23 February 2009, Item 6 (Council Budget & Council Tax Reports, 2008/09)
- 2.2 Council, 3 March 2009, Decision 178 (Report of Cabinet 23 February 2009, Council Budget & Council Tax Reports, 2008/09)
- 2.3 Cabinet, 22 February 2010, Item 6 (Budget & Council Tax Reports, 2009/10)
- 2.4 Council, 2 March 2010, Decision 145 (Report of Cabinet 22 February 2010, Council Budget & Council Tax Reports, 2009/10)
- 2.5 Cabinet, 14 February 2011, Item 5E (Budget, Council Tax and Medium Term Financial Strategy 2011/12 – 2013/14)
- 2.6 Council, 1 March 2011, Decision 8 (Report of Cabinet 14 February 2011, Budget, Council Tax and Medium Term Financial Strategy 2011/12 – 2013/14)
- 2.7 Cabinet, 24<sup>th</sup> May 2011, Item 5 (Report of Cabinet Member for Resources and Performance - Contract Procurement Plan 2011/12)
- 2.8 Cabinet, 20<sup>th</sup> June 2012, Item 12 (Report of Cabinet Member for Resources and Performance - Contract Procurement Plan 2012/13)

## **3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS**

- 3.1 The Contract Procurement Plan will enable the Council to maintain an accurate oversight of procurement activity across the full range of its services and thereby support more commercial and efficient procurement practices. In this way, the Contract Procurement Plan drives achievement of the Council's key corporate priority 'better services with less money' (Corporate Plan 2010-2013) and supports the One Barnet priority of 'a relentless drive for efficiency'.
- 3.2 The Council is committed to the transparency agenda. Until 2011/12, the planned procurement activity for each financial year has been scrutinised and approved by Cabinet Resources Committee as part of the annual Budget Report. In support of the Council's transparency agenda, Officers have developed a separate Contract Procurement Plan for 2013/14 for Cabinet submission as a stand-alone item. This continues to enhance its visibility and to ensure that the Council's planned procurement activity is given due

consideration in the light of its importance to the successful delivery of the Council's corporate objectives and the One Barnet agenda.

- 3.3 The governance arrangements that support the procurement activity are contained within the Council's Contract Procedure Rules and supporting Code of Practice.

#### **4. RISK MANAGEMENT ISSUES**

- 4.1 If the Council does not manage the contract renewal programme effectively and efficiently it could lead to a detrimental impact on value for money and the likelihood of delivering significant procurement savings. In addition the Council will be unable to forward plan the need for appropriate resource to support the programme. Well planned processes will enable effective commercial negotiations to take place thereby driving lower costs from the portfolio of contracts put to market.

#### **5. EQUALITIES AND DIVERSITY ISSUES**

- 5.1 From 5<sup>th</sup> April 2011 the previous separate equality duties on public authorities covering race, disability and gender were replaced by a single Public Sector Equality Duty. Section 149 in Chapter 1 of Part 11 of the Equality Act 2010, is the new public sector equality duty. This Public Sector Equality Duty also extends to gender reassignment, age, sexual orientation and religion and religious belief.
- 5.2 There is a 'general duty', on public authorities to have a due regard to the need to:
- a) Eliminate unlawful discrimination, harassment, and victimisation;
  - b) Advance equality of opportunity between those covered by the Equality Act and those not covered, e.g. between disabled and non-disabled people;
  - c) Foster good relations between these groups.
- 5.3 The Act makes it clear that authorities can use procurement to drive equalities and contains a specific measure on procurement, making provision: "to enable duties to be imposed in relation to the exercise of public procurement functions".
- 5.4 The Council has a process for assessing the equalities impact of all of its activity and, in awarding any contract, Officers will ensure that the Council's approach to equalities is applied.
- 5.5 With specific regard to those contracts set out in the proposed 4 year Contract Procurement Plan, where equalities issues have a significant bearing, an equality assessment will be undertaken.
- 5.6 By section 149(2) of the Equality Act 2010, the 'general duty' also applies to 'a person, who is not a public authority but who exercises public functions and therefore must, in the exercise of those functions, have due regard to the

general equality duty. This includes any organisation contracted by a local authority to provide services on its behalf. The Council will therefore take all necessary and reasonable steps to ensure that all contractors comply with this general equality duty.

## **6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)**

- 6.1 The costs pertaining to the contracts contained within the Appendix to this report are contained within the individual service budgets of the Council.
- 6.2 A number of savings proposals within these plans relate to opportunities driven from improved commercial settlements associated with these contracts. Delivery of these procurement related savings will be monitored throughout the financial year.

## **7. LEGAL ISSUES**

- 7.1 No legal issues.

## **8. CONSTITUTIONAL POWERS (Relevant section from the Constitution, Key/Non-Key Decision)**

- 8.1 Council Constitution, Part 3, Responsibility for Functions – Section 6.5 details the terms of reference of the Cabinet Resources Committee.
- 8.2 The Council’s Constitution (Contract Procedure Rules) sets out the authorisation process for entering contractual commitments.
- 8.3 The following is an extract from the Contract Procedure Rules contained within the Constitution as it relates to the Procurement Plan:-

“**Authorisation**” is the approval required before quotations or tenders for supplies, services or works may be sought in accordance with Section 3.2.

Section 5 outlines Authorisation and Acceptance Procedures, including:

- 5.1 The aim is to speed up the procurement process by removing unnecessary bureaucracy – in this case, a duplication of the authorisation process.
- 5.2 Any contract, including additions, extensions and variations, which have been included in a directorate or service’s Budget and supporting plans and strategies or any other Committee approved plan is deemed as authorised irrespective of value.
- 5.3 Any contract which has not been authorised as set out in 5.2 must be Authorised as set out in Table 5-1”. (This details Authorisation and Acceptance Thresholds for Works, Supplies and Services).

## **9. BACKGROUND INFORMATION**

- 9.1 The Constitutional requirement to obtain Cabinet Member or Cabinet Committee authorisation, for contract value above stated threshold, before any

contractual exercises commence has in previous years been achieved mostly by the inclusion of an appendix within the budget report of the known procurement activity for the following financial year.

- 9.2 Over the last twelve months the visibility and understanding of the role that improved procurement could play in assisting the council deliver corporate objectives in general but “better for less” services in particular has increased significantly.
- 9.3 In addition the Council has reiterated its commitment to the transparency agenda and developing processes that support this agenda.
- 9.4 As a result, the procurement plan for the next financial year of known contractual activity is being presented to Members as a report in its own right rather than an appendix within the overarching budget report.
- 9.5 This information will be used for planning procurement activity and will be published in other procurement vehicles in order to attract as much interest from the market as possible.
- 9.6 The data contained within the procurement plan is also used as the basis of the Councils first Corporate Contract Register.

**10. LIST OF BACKGROUND PAPERS**

- 10.1 None.

<b>Cleared by Finance (Officer’s initials)</b>	<b>MC/JH</b>
<b>Cleared by Legal (Officer’s initials)</b>	<b>SS</b>

## Appendix 1

Directorate	Contract Description	Estimated Contract Value
Adults, Social Care and Health	<b>Residential and Nursing Care</b> Procurement of a framework agreement with organisations providing care home services, currently including 234 existing contracts with values exceeding £25,000	£129,000,000
Adults, Social Care and Health	<b>Supported Living Services</b> Procurement of a framework Agreement with organisations providing care and support services in specialist housing locations, currently including 36 existing contracts with values exceeding £25,000	£34,000,000
Adults, Social Care and Health	<b>Voluntary Sector Preventative Support</b> Continuation of a programme to re-commission preventative support services for vulnerable people living in the community, currently including 25 existing contracts with values exceeding £25,000	£6,000,000
Adults, Social Care and Health	<b>Adults IT Infrastructure</b> Procurement of replacement IT systems to support administration of the council's adult social services functions, including two existing contracts with revenue values exceeding £25,000	£2,000,000
Adults, Social Care and Health	<b>Community Equipment</b> Procurement of a further contract for the provision of specialist equipment for people with disabilities and age-related frailties, following expiry of the existing contract for this service	£2,000,000
Adults, Social Care and Health	<b>Funeral Service</b> Procurement of a further contract for the provision of funeral services following expiry of the existing contract for this service	£36,000
Children's Service	Training from Middlesex University for social workers	£90,000
Children's Service	<b>Fostering Placements</b> Purchased from London Care Placements Framework, West London Alliance Framework, North London Strategic Alliance, Barnet's own framework or spot purchased.	£3,895,000
Children's Service	<b>Residential Children Homes</b> Purchased from London Care Placements Framework, West London Alliance Framework, North London Strategic Alliance, Barnet's own framework or spot purchased	£3,144,290
Children's Service	<b>Residential Family centres</b> Purchased from London Care Placements Framework, West London Alliance Framework, North London Strategic Alliance, Barnet's own framework or spot purchased	£400,000
Children's Service	<b>Semi-Independent Supported housing</b> Purchased from North East London Consortium Framework, West London Alliance Framework, North London Strategic Alliance, Barnet's own framework or spot purchased.	£1,325,000
Children's Service	<b>Youth Offending Placements</b> Purchased through the Youth Justice Board	£185,000
Children's Service	<b>Foster placements</b> - Internal resources	£4,500,000

Directorate	Contract Description	Estimated Contract Value
Children's Service	Advocacy for looked after children	£156,000
Children's Service	Youth Homelessness Services	£527,000
Children's Service	Services for young people with learning difficulties/disabilities	£250,000
Children's Service	CCIS (Client Caseload Information System) and license fees	£51,900
Children's Service	<b>Family Group Conferencing</b> To provide counselling services to families and help them in resolving their difficulties/issues.	£70,000
Children's Service	Framework contracts for respite for disabled children	£200,000
Children's Service	Special Education Needs Specialist packages, Independent Travel Training, Outreach and Placements	£8,221,600
Children's Service	Speech and language therapy and occupational therapy provision - Special Education Needs Children	£845,700
Children's Service	Speech and language therapy with Central London Community Health Trust (CLCH) - Early years	£71,000
Children's Service	Drug and Alcohol - Young drug and alcohol addicts and referring them for preventive measures.	£958,000
Children's Service	Children Adolescent Mental Health Services (CAMHS) services (joint LA and health procured)	£970,000
Children's Service	Provision of Specialist chairers & Independent reviewing officers for safeguarding meetings and for other activities	£100,000
Children's Service	Annual membership for North London Adoption Consortium (MOU with London Borough of Haringey)	£33,500
Children's Service	Looked after Children's Nurses	£125,000
Children's Service	Out of School Activities	£200,000
Children's Service	Frozen and specialist frozen Supplies for catering services	£2,200,000
Children's Service	Cleaning materials and light equipment for catering services (including through ESPO warehouse and PRO 5 Framework)	£45,000
Children's Service	Kedassion Kosher supervision for various suppliers.	£30,000
Children's Service	Recycled food service packaging	£30,000
Children's Service	Out of hours duty service	£150,000
Children's Service	Groceries for catering services (ESPO Framework)	£2,340,000
Children's Service	Electronic Common Assessment Framework (CAF) system	£88,000
Children's Service	E-Finance System (SWIFT replacement)	£160,000
Children's Service	Domestic Violence Intervention, Advocacy & Support, Refuge, Perpetrators Service	£1,439,000
Children's Service	Running costs for 13 Children's Centres	£4,300,000
Children's Service	Support and guidance to other smaller voluntary organisations within London Borough of Barnet	£116,550
Children's Service	Family Nurse Partnerships	£150,000
Children's Service	<b>Support Services for Travellers</b> Contract extension up to July 2013	£37,500
Children's Service	Therapeutic supervision for family focus team	£60,000
Children's Service	Case Management System for youth offending	£40,000
Children's Service	Copyright Licences for Schools	£50,000
Children's Service	<b>Disabled Children's Team (DCT)</b> Resources for Autism, Home Care, Play & Leisure, Individual support services	£369,720
Children's Service	Prepaid debit cards	£10,000
Children's Service	<b>Tracker Project</b> Early identification support for Children with Autism (Pre-aged school Children)	£170,000
Children's Service	<b>Small Circles</b> Language development support project. Teaching for Staff	£30,000
Chief Executive Services	General advice and specialist legal advice for residents	£1,070,000

Directorate	Contract Description	Estimated Contract Value
Chief Executive Services	Community involvement and advocacy for health and care services	£750,000
Chief Executive Services	Community Advice Service	£385,540
Chief Executive Services	Community Barnet	£113,270
Commercial Services	Online Scanning and storage system	£168,000
Commercial Services	Encryption Software	£215,820
Commercial Services	SAP managed service	£5,670,700
Commercial Services	Logica Managed legacy apps	£50,000
Commercial Services	Toolset for Remote Desktop Assistance, Network Management, Software Deployment, Patch Management.	£144,000
Commercial Services	Corporate Anti-Virus	£63,000
Commercial Services	Desktop Design Drawing System	£51,750
Commercial Services	Receipting and payment service for residents	£57,000
Commercial Services	Assists with compliance to licensing regulations.	£42,000
Commercial Services	Provide security monitoring logs for IS infrastructure	£48,000
Commercial Services	Corporate internet Security	£120,000
Commercial Services	Adults and Children's Services Case Management System	£780,000
Commercial Services	Service desk and casework management system for HR and IS	£60,000
Commercial Services	Provides hardware, software and licensing to support insight team day to day work	£1,350,000
Commercial Services	Family Information System and main modular education system with report writers	£134,600
Corporate Governance	Property (incl Leasehold Property Household Buildings) and miscellaneous insurance	£6,415,000
Corporate Governance	Combined Liability and Motor Insurance	£1,161,000
Deputy Chief Executive	Treasury Advisory Service	£120,000
Deputy Chief Executive	Provision of an online recruitment system	£80,000
Environment Planning & Regeneration	Collection & disposal of hazardous waste	£116,170
Environment Planning & Regeneration	Arboricultural Services	£5,250,000
Environment Planning & Regeneration	Provision of vehicle fuels to fleet	£2,600,000
Environment Planning & Regeneration	Operation of the household waste and recycling centre. Kerbside collection of dry recycling from houses, flats, schools.	£2,000,000
Environment Planning & Regeneration	Provision of rock salt on a call off basis	£120,000
Environment Planning & Regeneration	Supply and delivery of wheeled plastic bins & green	£149,170
Environment Planning & Regeneration	Supply and Maintenance of depot copiers	£40,220
Environment Planning & Regeneration	Provision of merchant numbers facility for processing PCN payments	£19,000
Environment Planning & Regeneration	Highway condition survey	£46,120
Environment Planning & Regeneration	Weather forecasting for winter maintenance	£26,530
Environment Planning & Regeneration	Provision of at least four schemes for independent tenant advice to residents across various areas within the borough	£762,000
Environment Planning & Regeneration	Legal advisors to support regeneration programme	£520,000
Environment Planning & Regeneration	Training provider based at the depot	£128,620
Environment Planning & Regeneration	Supply and delivery of wheeled metal bins	£104,000
Environment Planning & Regeneration	Planning advice & drafting of the S106	£59,750
Environment Planning & Regeneration	Independent monitoring of Regeneration Schemes cost plan	£140,000



Directorate	Contract Description	Estimated Contract Value
Environment Planning & Regeneration	Sports Equipment for Council leisure facilities mainly at borough parks and not in leisure centres.	£39,070
Environment Planning & Regeneration	Rental of CCTV circuits for the boroughs CCTV network	£142,000
Environment Planning & Regeneration	Supply and Delivery of Green Recycling Sacks	£59,340
Environment Planning & Regeneration	Valuation and Viability Advice on Mill Hill	£46,000
Environment Planning & Regeneration	Sign Shop Alloys	£48,770
Environment Planning & Regeneration	Highways consumables mainly glue for repairs and maintenance	£74,390
Environment Planning & Regeneration	Asphalt supply	£79,000
Environment Planning & Regeneration	Sign Shop vinyl and Paint	£34,580
Environment Planning & Regeneration	Cricklewood OLF	£115,000
Environment Planning & Regeneration	Provision of training for young entrepreneurs In Barnet	£130,750
Environment Planning & Regeneration	Supply and delivery of wheeled bins and other containers for collection of dry recycling and kitchen waste	£4,000,000
Environment Planning & Regeneration	Supply of vehicle diesel fuel	£1,500,000