



## Notice of Non-key Executive Decision

<b>Subject Heading:</b>	Planning Applications Validation Service (PAVS) procurement
<b>Cabinet Member:</b>	Councillor Joshua Chapman, Cabinet Member for Housing and Planning
<b>SLT Lead:</b>	Barry Francis, Director of Neighbourhoods
<b>Report Author and contact details:</b>	Catherine Culley 01708 434628 <a href="mailto:Catherine.Culley@havering.gov.uk">Catherine.Culley@havering.gov.uk</a>
<b>Policy context:</b>	Part of the recommended changes arising from the Planning Service Review 2018
<b>Financial summary:</b>	Estimated costs of £0.31m for a 2 year contract running from May 2021 to May 2024 spread as follows £0.132m in FY 2021/22, and £0.155m in FY 2022/23, and £0.023m in FY 2023/24
<b>Relevant OSC:</b>	Towns and Communities
<b>Is this decision exempt from being called-in?</b>	Yes. It is a non-key decision by a member of staff.

### The subject matter of this report deals with the following Council Objectives

Communities making Havering	<input type="checkbox"/>
Places making Havering	<input checked="" type="checkbox"/>
Opportunities making Havering	<input type="checkbox"/>
Connections making Havering	<input type="checkbox"/>

## Non-key Executive Decision

### Part A – Report seeking decision

#### **DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION**

Approval to undertake procurement of a Planning Application Validation Service using the Crown Commercial Service G-Cloud framework in the Digital Marketplace.

#### **AUTHORITY UNDER WHICH DECISION IS MADE**

This decision is made under: Paragraph 3.4 of the London Borough of Havering Constitution (Powers of Second Tier Managers) (Contract Powers) authorises Second Tier Managers to approve the commencement of a tendering process for, and to award all contracts below a total contract value of 500,000.

#### **STATEMENT OF THE REASONS FOR THE DECISION**

An internal review of the Planning Service in 2018 identified issues with the Planning Application Validation Service (PAVS) delivery. The review highlighted that the registration, validation, allocation and notification process had been consistently identified as the most significant delay in the planning application process.

As a consequence in order to provide an improved and efficient service, a 1 year contract was awarded to TerraQuest in October 2019 to deliver an outsourced Planning Application Validation Service to the value of £0.119m to see if improvements could be delivered using an outsourced model. This contract was subsequently extended by 6 months and £0.072m to allow the benefits review to take place, and put in place a work-stream to review the contract for the PAVS service and confirm the approach for the next 2-4 years.

The current contract expires in May 2021.

A contract specification has been drawn up in collaboration with Procurement. The route to market has been identified, which uses the Crown Commercial Services G-Cloud 12 framework. Checkpoint 1 of the procurement process is complete

An annual budget of £0.144m is in A44510.641440.0000.000000.000000. Spend is forecast as £0.155m pa, and the budget will be increased in FY 2021/22 and 2022/23 to reflect this. The costs of PAVS are funded from income. Projected spend is as follows

£0.132m in FY 2021/22, and  
£0.155m in FY 2022/23, and  
£0.023m in FY 2023/24

## Non-key Executive Decision

### **Recommendation:**

Approve the procurement of a Planning Application Validation Service using the Crown Commercial Service G-Cloud 12 framework agreement in the Digital Marketplace.

### **OTHER OPTIONS CONSIDERED AND REJECTED**

#### **Do Nothing: not recommended**

This is not an option as the Council has a statutory requirement to provide Planning Services to the Borough. The outsourced model has significantly improved the speed at which newly submitted planning and other applications are ready for case officer determination.

#### **Take the service back in-house: not recommended**

Prior to outsourcing, attempts to rework this part of the process in-house were unsuccessful in yielding sustainable improvements in turnaround and application processing time.

Additional staff would be required to facilitate moving the work back in-house, and there would be costs associated with this. The cost of the increase in headcount that would be required is c£0.260m per annum, calculated as

- 3 FTE grade 6 headcount in Contact Centre
- 2.5 FTE grade 4 headcount in Admin Team
- 1.5 FTE grade 7 headcount in Planning Team.

The salary calculator shows that this is greater than the current costs of the PAVS service via TerraQuest, which is currently running at c£0.155m pa. See Appendix 2.

#### **Identify a supplier via full tender: not recommended**

The CCS Digital Marketplace website advises that 'A framework is an agreement between government and suppliers. Buying services through frameworks is faster and cheaper than entering into individual procurement contracts.'

We undertook market testing to identify alternative providers; we contacted suppliers on the CCS G-Cloud framework, and have undertaken web searches of wider planning community to identify potential suppliers of a PAVS. We have not been able to identify a supplier other than TerraQuest on the G-Cloud framework who have been able to offer a full Planning Application Validation Service. See Appendix 1.

### **PRE-DECISION CONSULTATION**

Not applicable

#### **NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER**

Name: Catherine Culley

Designation: Programme Manager, Planning

Signature: *Catherine Culley*

Date: 14/04/2021

## Part B - Assessment of implications and risks

### LEGAL IMPLICATIONS AND RISKS

1. The Council has a general power of competence under section 1 of the Localism Act 2011 to do anything an individual may generally do subject to any statutory limitations. The Council has the power under this section to agree to the proposals in the recommendations.
2. This report seeks approval to undertake procurement of a Planning Application Validation Service.
3. The value of the proposed contract is £0.155m per annum, for 2 years which is a total of £0.310m. Service contracts over the value of £189, 330 need to comply with the Public Contracts Regulations 2015 (as amended). The report states that Crown Commercial Service G-Cloud framework in the Digital Marketplace will be used. The framework appears to be compliant with the Public Contracts Regulations 2015.
4. The procurement also must comply the Council's Contract Procedure Rules (CPR). The framework exempts officers, under CPR 18.5(i), from having to evaluate tenders against the pre-determined best price-quality evaluation basis.
5. Furthermore, the Local Government Act 1999, requires the Council to make arrangements to achieve best value in the exercise of its functions, which includes the services contained in the proposed procurement. While conducting the procurement officers must satisfy themselves that the procurement process is in accordance with this principle.

### FINANCIAL IMPLICATIONS AND RISKS

An annual budget of £0.144m is in A44510.641440.0000.000000.000000. Spend is forecast as £0.155m pa, and the budget will be increased in FY 2021/22 and 2022/23 to reflect this. The costs of PAVS are funded from income.

The cost forecast for the contract is  
£0.132m in FY 2021/22  
£0.155m in FY 2022/23  
£0.023m in FY 2023/24

Assumptions have been made around the volumes of applications that will be received. There is a risk that the forecast is too low, or the assumption on the type of application received (and therefore the unit cost forecast) is inaccurate. The impact of this would be that costs could exceed the forecast budget.

As mitigation, spend-to-date has been monitored and the types of application that are received are logged and reviewed. This information has been used to inform the costs that have been forecast.

## **Non-key Executive Decision**

See Appendix 3 for the supplier pricing document available from the G-Cloud and Appendix 4 for the costs to date and forecast spend figures.

The Procurement team investigated alternative procurement approaches, from full tender to engagement via existing frameworks, and market testing was undertaken to identify suppliers.

### **HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)**

There are no TUPE or other human resources implications arising from the recommendation in this report because the outsourcing of these specific processes does not result in substantive changes to the existing administrative and technical officer roles.

This Executive Decision is primarily related to a service provision that has already included outsourcing of administrative and technical processes and functions. There are no specific equalities implications for Human Resources.

### **EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS**

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) Foster good relations between those who have protected characteristics and those who do not.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

This Executive Decision is primarily related to the outsourcing of administrative and technical processes and functions. There are no specific equalities implications for people, including those with protected characteristics. An EqHIA is therefore not necessary in this instance.

Note: 'Protected characteristics' are: age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

**Non-key Executive Decision**

None

**BACKGROUND PAPERS**

Non-key Executive Decision

**Part C – Record of decision**

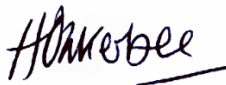
I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

**Decision**

Proposal agreed

**Details of decision maker**

Signed



Name: Helen Oakerbee

Head of Service title: Assistant Director of Planning

Date: 16 April 2021

**Lodging this notice**

The signed decision notice must be delivered to the proper officer, Debra Marlow, Principal Democratic Services Officer in Democratic Services, in the Town Hall.

**For use by Committee Administration**

This notice was lodged with me on \_\_\_\_\_

Signed \_\_\_\_\_