



**Havering**  
LONDON BOROUGH

## Notice of Non-key Executive Decision

<b>Subject Heading:</b>	Approval to commence Education Brokerage Service Procurement Programme 2021-22; and to waive the Contracts Procedure Rules pre-determined weighting criteria.
<b>Cabinet Member:</b>	Councillor Robert Benham, Deputy Leader, Lead Member for Children and Learning.
<b>SLT Lead:</b>	Robert South, Director, Children's Services
<b>Report Author and contact details:</b>	Shola Omogbehin, Head of Education Traded Services 01708 433783
<b>Policy context:</b>	Traded Services. This links with the Council's 'Communities' objective.
<b>Financial summary:</b>	The total estimated contract value is £1,450,000 i.e. £230,000 and £1,220,000 for Security Patrol & Response and Washroom Service, respectively. The estimated cost of tendering and implementation is £17,000. The cost of tendering and the ongoing cost of contract management will be fully funded from income generated by the Brokerage Service from subscriptions and supplier rebates.
<b>Relevant OSC:</b>	Children and Learning OSC
<b>Is this decision exempt from being called-in?</b>	Yes, it is a Non key Decision

**Non-key Executive Decision**

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

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

This report seeks approval to:

- (i) commence a procurement process to establish the below frameworks via a Public Contracts Regulations 2015 compliant tender procedure as set out in this report; and
- (ii) waive rule 18.4 of the Contract Procedure Rules (CPRs) requiring tenders to be evaluated against pre-determined 70:30 best price-quality ratio in order to allow the tenders to be evaluated on 60:40 best price–quality ratio basis.

Frameworks

Service Category	Number of Suppliers	Estimated Contract Value	Type of tender Procedure	Time Scale for Procurement Process	Commencement date
Security Patrol and Response	1	230,000	Restricted Procedure	Autumn Term 2021 to Spring Term 2022	1 <sup>st</sup> April 2022
Washroom Services	1	1,220,000			

#### AUTHORITY UNDER WHICH DECISION IS MADE

##### Procurement

##### **Section 3.3 Powers of Members of the Senior Leadership Team of the Constitution**

Members of the Senior Leadership Team (SLT) have delegated authority to act within the assigned service service/portfolio of responsibilities, subject to the general provisions and limitations set out in section 3.1 of the Constitution.

##### **Contract powers**

(a) To approve commencement of a tendering process for all contracts above a total contract value £500,000.

##### Waiver

##### **CPR 14 (Waivers)**

14.1 No exception to these Rules shall be permitted except upon approval by an individual Cabinet member using an Executive Decision or by some other provision in this Rule. The report shall set out the background, the rule being waived, the reasons the waiver is required, how value for money will be demonstrated, any legal or financial risks or implications and shall be approved by the Director of Legal and Governance and the Chief Executive.

14.2 Authority to waive any provision contained in CPR will only be permissible if it does not infringe EU or National legislation and is subject to the Council's Scheme of Delegation.

## **Non-key Executive Decision**

### STATEMENT OF THE REASONS FOR THE DECISION

The Brokerage Service was established in 2013 in conjunction with local schools, and has developed into a traded service offering schools access to a suite of competitive multi-supplier procurement frameworks comprising publicly tendered, market tested and quality assured suppliers of goods and services. There are currently twelve frameworks for goods and services available to schools. These frameworks are renewed on an annual rolling timetable of tendering and contract award after a life cycle of 3 – 4 years per service category.

The Service has reviewed the requirements of schools for 2021 and 2022 and needs to proceed to enhance the services provided to ensure that schools continue to have access to best value and vetted suppliers.

The Service recommends that approval should be given to proceed with the tendering processes that will result in the award of two three-year framework agreements for the below services with an option to extend for one further year. The estimated cost to the Council of tendering, award and implementation of the contracts is £17,000. The total estimated contract value is £1,450,000 i.e. £230,000 and £1,220,000 for Security Patrol & Response and Washroom Service, respectively. It is worth noting that all costs associated with the procurement process and the ongoing contract management of suppliers will be fully funded from income generated by the Brokerage Service from subscriptions and supplier rebates, as the service receives no direct council funds.

The Service recommends that a waiver of the 70:30 CPR requirement should be approved to enable the bids received to be scored based on 60:40 (Price:Quality) weighting criteria. Increasing the weighting on quality has helped to ensure that suppliers demonstrate to a greater degree how they will fully meet the specified requirement of our schools thereby achieving a sustained and consistent high standard of service for the whole life of the frameworks. This approach has been critical, in the past, to minimising cases of underperformance experienced by schools and significantly lowering the risk of supplier failure. Since the inception of the Brokerage Service, schools have consistently rated their experience of the quality of service provided by suppliers at an average of 90% good or better.

#### **Security Patrol and Response:**

This is a retendering exercise of an existing multi-supplier Brokerage framework which commenced in April 2019. Due to the impending expiry of this current contract, it is necessary to procure a replacement framework in order to ensure these vital services continue to be available to schools. The new requirement is for a single supplier framework agreement to provide schools and settings in Havering and those outside the borough who subscribe to the Council's Education Brokerage Service with access to Security Patrol and Response.

The successful supplier will provide:

- Out of hours response to alarm activations
- Routine and regular proactive surveillance of sites, external areas and car parks at appropriate times to deter criminal activity (in compliance with BS7499-Static Guarding and Mobile Patrol Service or Equivalent)
- Secure key holding for emergency access – the contractor will be required to provide a 'first response' key holder service to clients' properties (in compliance with BS

## **Non-key Executive Decision**

7984 – Key Holding and Response Service) in order that the customer maintains their 'Level 1' status with the Local Police Authority

- Response to emergency situations
- Maintaining and updating key holder database

### **Washroom Services:**

This is a new requirement for a single-supplier Brokerage framework. The current arrangement that had been in place since April 2019 will end in March 2022. Due to the impending expiry of the current contract, it is necessary to procure a replacement framework in order to ensure these vital services continue to be available to schools. The new requirement is for a single supplier framework agreement to provide schools and settings in Havering and those outside the borough who subscribe to the Council's Education Brokerage Service with access to Washroom Services.

This Framework Agreement will cover the provision and service of Washroom Services including but not limited to:

- Sanitary waste units
- Medical waste units
- Clinical waste and sharps units
- Air care services
- Hand care services
- Vending machines for emergency products
- Nappy disposal and associated products

The successful suppliers is expected to offer after sales service and support. This will include, as a minimum:

- Installation and maintenance
- Transition/integration support
- Helpdesk support Monday – Friday 9.00 – 17.00 (free phone number)
- Monitoring

### **Frameworks Award Criteria**

The framework contracts will be procured using a Public Contracts Regulations 2015 compliant restricted procedure. Subject to the waiver of the 70:30 CPR requirement being granted, framework contracts will be awarded to the most economically advantageous tender based on a 60 price/ 40 quality ratio.

**OTHER OPTIONS CONSIDERED AND REJECTED**

## Non-key Executive Decision

### **Do not renew/ procure the frameworks**

The Brokerage adds value for the educational establishments which subscribe to it. The schools that subscribe to the brokerage service rely upon the availability of the Brokerage frameworks as part of the Brokerage offer. The frameworks offer schools a supported procurement route which is compliant with relevant Regulations. Schools participate actively in the Brokerage panel.

The Brokerage service has considered signposting schools to other frameworks however this is not the preference expressed by Havering schools as evidenced in their continue backing of the Brokerage Service with their own budgets. Besides, such frameworks may not fully meet the local needs of our schools and certainly would not offer the same level of rigour in contract monitoring and supplier performance management that has helped to drive up standards of service delivery to our local schools over the years.

If the Brokerage frameworks were not available, schools might not subscribe to the Brokerage and this would not further the Council's objectives to support the schools in its area.

### **PRE-DECISION CONSULTATION**

Havering schools and non-Havering schools subscribing to the brokerage service were consulted on the need to renew the brokered services. They were involved in developing the service specifications. .

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

Name: Shola Omogbehin

Designation: Head of Education Traded Services

Signature:



Date: 15/07/2021

## Part B - Assessment of implications and risks

### LEGAL IMPLICATIONS AND RISKS

1. The Council is a contracting authority for the purposes of the Public Contracts Regulations 2015 (PCR 2015).
2. The values of the proposed Services are above the public procurement threshold for services (£189,330 for contracts advertised after 1 January 2020) and must be procured in accordance with the full PCR 2015 regime. The proposed restricted procedure for procuring these above threshold services contracts is compliant with the PCR 2015.
3. The Council's Contracts Procedure Rules (CPR) 3.5.1 provide that where a procurement is for above threshold services; (or for Works with a value greater than £500,000); authority to proceed via the Gateway (checkpoint) Procedure must be obtained. Such approval has been obtained.
4. CPR 18.4, states that contracts must be evaluated against a 70:30 price: quality ratio. However, CPR 14 permits an individual Cabinet member (using an Executive Decision) to approve an exception to the CPR, provided, as in this case, to do does not infringe any applicable procurement laws; and subject to the Council's Scheme of Delegation.
5. Suitable measures to protect the Council's interests from action by suppliers and third parties calling off from frameworks should be incorporated into the contractual agreements with all parties involved in framework/ call off arrangements. Officers have confirmed that school subscription to the brokerage service includes such measures.

### FINANCIAL IMPLICATIONS AND RISKS

The procurement activities detailed above fall within the commercial remit of the Council's education traded services, specifically the Brokerage Service. This service is fully funded by subscription fees and rebate income, and receives no Council budget to deliver their service. The expenditure is expected to be in the region of £17,000 for the autumn term 2021 procurement process.

There are also resource implications due to the Council's traded services officers with responsibility to coordinate the procurement processes and manage the contract implementation stages. The associated costs are also covered through the subscription fees paid by schools and rebate income generated from supplier sales.

The Brokerage Service is self-funding and generates sufficient income to cover its running costs.

#### **Risks**

### **Non-key Executive Decision**

The key risk is around attracting a high level of interest to the ITT to ensure a competitive process as well as issues relating to the quality of suppliers that are awarded framework contract status at the end of the tender processes.

Altin Bozhani, Strategic Business Partner – Finance and Procurement

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

The recommendations made in this report do not give rise to any identifiable HR risks or implications that would affect either the Council or its workforce.

Elizabeth Youngs, Assistant Head of HR Operations for Havering on behalf of Julian Sivill, Strategic HR Business Partner

### **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.

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

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.

### **BACKGROUND PAPERS**

None



**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: Councillor Robert Benham

Cabinet Portfolio held:-Deputy Leader, Lead Member for Children and Learning

Date:

**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 \_\_\_\_\_