

Notice of Non-key Executive Decision

Subject Heading:	Waiver request to allow Light Catering Equipment contract to be awarded based on 100% price criteria.
Cabinet Member:	Councillor Robert Benham
SLT Lead:	Robert South, Director, Children's Services
Report Author and contact details:	Michelle Tarten Michelle.tarten@havering.gov.uk 01708 431108
Policy context:	Traded Services. This links with the Council's 'Communities' objective.
Financial summary:	There is no commitment by either Havering or any other participating bodies to use the framework contract. The indicative value of the contract is £300,000 per annum of which Havering's spend is c. £50,000 per annum, funded from purchasing services revenue budgets. The duration of the agreement is four years.
Relevant OSC:	Children and Learning OSC
Is this decision exempt from being called-in?	Yes It is a non-key decision by a senior officer.

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"/>

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

Approval is requested for the award of a 4 year framework agreement for supply of catering equipment on the 100% price criteria to the successful bidder. The indicative value of the contract is £300,000 per annum of which Havering's spend is c. £50,000 per annum

The successful bidder is as follows;

VWHQ LIMITED
39 PARKFIELD CRESCENT
TAMWORTH
ENGLAND
B77 1HB
Company No. 13445919

AUTHORITY UNDER WHICH DECISION IS MADE

Part 3, Paragraph 2.5 (g) of the Constitution

To approve an exception to the Contracts Procedure Rules set out in Part 4 of this constitution, in accordance with Rule 14(1) of those Rules.

Paragraph 14.1 of the Council's Contract Procedure Rules states that waivers can be permitted upon approval by an individual Cabinet member using an Executive Decision.

STATEMENT OF THE REASONS FOR THE DECISION

This is a retender of the current catering light equipment Framework The existing Framework expired on 31 December 2019.

In reference to non-key Ed report dated 17th September 2019 (attached) Strategic procurement department have completed the tender and procurement process on behalf HES Catering Service for Catering Light Equipment contract. The tender has been evaluated on the basis of 100% price criteria.

Approval is being sought for the waiver of the 70/30 CPR requirement in order for the contract to be awarded on 100% price weighting. This evaluation criteria is required because the service on advice from the strategic procurement department has determined that this is a mature opportunity and the required products are industry standard items, readily available to all potential suppliers. This meant that robust quality/delivery requirements were scoped within the specification. The Suppliers will be able to demonstrate that every step has been taken to ensure the legality, safety and quality of the products, which will be supplied under the Framework Agreement.

OTHER OPTIONS CONSIDERED AND REJECTED

Non-key Executive Decision

That the contract is not re-tendered and each authority, including Havering, enters into individual contracts with suppliers which will have a significant impact on purchase costs.

That authorities source their own requirements in the wider marketplace, this would create a situation whereby the less reputable companies in this market would be provided with an opportunity to sell to each authority.

Restart the Tender using 70/30 criteria

The current contract with the incumbent is already two years out of date and therefore the HES Catering Service, as well as the six other partner local authorities are non-compliant. Therefore restarting the tender could run for a further six months thereby prolonging the non-compliance of the local authorities.

Commercial

HES Catering services as well as the 6 partner borough are currently purchasing the light equipment out of contract at the incumbent suppliers standard pricing. This is not commercially advantageous for the schools meals services as it is having an impact on costs and margins

PRE-DECISION CONSULTATION

A meeting was held with Boroughs who expressed their interest in participating in the contract. The outcome of this meeting was that the Boroughs requested Havering lead on this opportunity on behalf of the LCG.

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

Name: Michelle Tarten

Designation: Brokerage and Partnership Manager

Signature: *Michelle Tarten*

Date: 22.10.21

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The Council has the power under Section 1 of the Localism Act 2011 to agree the proposal set out in this report.

This Report seeks approval to award a contract to VWHQ Limited after evaluating bids wholly based on cost. Therefore, a waiver of CPR18.4 is required, which states that tenders will be evaluated against pre-determined best price-quality ratio of 70% cost and 30% quality weighting.

CPR14.1 provides that a waiver of the Rules is permissible if approved by an individual Cabinet member using an Executive Decision, with a report setting out the background, the rule to be waived, the reasons why the waiver is required, how value for money will be demonstrated, any legal or financial risks or implications and with the approval of the Director of Law and Governance and the Chief Executive.

In accordance with Regulation 67 of the Public Contract Regulations 2015, the 100% price weighting was advertised at the commencement of the procurement procedure. Therefore, approval of the recommendation in this report will be in compliance with relevant law.

Furthermore, Officers have satisfied themselves that the waiver requirements have been met in this instance and that this award represents the best value for the Council overall.

Tara Philip | Contracts and Procurement Solicitor
26.10.2021

FINANCIAL IMPLICATIONS AND RISKS

The indicative value of the contract is £300,000 per annum of which Havering's spend is c. £50,000 per annum, this is based on actual spend over the previous contract. The spend is not anticipated to be different during this contract lifetime.

The risk of quality issues for this contract is minimal. The strategic procurement department has determined that this is a mature opportunity and the required products are industry standard items, readily available to all potential suppliers. This means that quality standards are pre-determined and were fully stated within the tender specification. The Suppliers will be able to demonstrate that every step has been taken to ensure the legality, safety and quality of the products, which will be supplied under the Framework Agreement. Having already stated the required products and quality standards for all bidders to comply with means that this contract can be awarded confidently on 100% price criteria to the most economical advantageous tender.

There are no immediate financial implications at this point of the procurement exercise; any financial and operational risks will be fully evaluated as part of establishing the framework. Being a wholly traded service, the expectation is for the framework to deliver effective value for money on the cost of supplies, allowing the service to continue operating a commercially viable catering service to its clients.

Altin Bozhani | Interim Strategic Business Partner- Children Services

26.10.2021

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

There are no recognised issues impacting Havering or placing any risk upon Human Resources in relation to this type of contract.

Julian Sivill | Strategic HR Business Partner
26.10.2021

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.

Jerry Haley | Head of Communities
09.11.2021

BACKGROUND PAPERS

There are no additional background papers supporting this report.

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

Delete as applicable

Proposal NOT agreed because

Details of decision maker

Signed



Name: Councillor Robert Benham

Cabinet Portfolio held:

Date: 16.11.2021

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 _____

Non-key Executive Decision

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