



Havering
LONDON BOROUGH

Notice of Non-key Executive Decision

Subject Heading:	Contract for the provision of specialist professional services to support development of the MSTAR4 contract and London Collaboration
Decision Maker :	Julie Harris, Director of HR and OD
Cabinet Member:	Cllr Ray Morgon, Leader of the Council
SLT Lead:	Dave McNamara, Director of Finance
Report Author and contact details:	Mark Porter, Head of HR Operations mark.porter@onesource.co.uk 01708 432989
Policy context:	<p>The ESPO MSTAR3 contract was let across London by Havering and will expire in 2024. ESPO are in the process of implementing the next iteration of the contract (MSTAR4) and one source will work with them to deliver that contract.</p> <p>Evolving Solutions worked with one source to help deliver the MSTAR3 contract to boroughs across London which has delivered significant savings and income.</p>
Financial summary:	The total contract value is £221,548 over the contract duration of four years.
Relevant OSC:	Not applicable
Is this decision exempt from being called-in?	This is a non-key decision by a member of staff

Non-key Executive Decision

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

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

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

This report seeks approval of a waiver to make a direct award of a contract for the provision of professional consultancy services. The proposed contract period is for a period of four (4) years, commencing 1st August 2022 and the total contract value is £221,548.

The London Borough of Havering (the Council) successfully managed and awarded in April 2019 the MSTAR3 framework contract for the provision of agency workers to councils in London in conjunction with the Eastern Shires Purchasing Authority (ESPO).

Evolving Solutions Ltd. supported the council to deliver that work through the provision of consultancy service including professional advice, support and ongoing work to promote the framework delivering significant savings for participating and increased revenue to one source through the specific structure of the framework that enables significant rebates to be incurred against spend (for instance savings from Q1 to Q3 2021 in Havering were £245,551, £814,184 in Newham).

The MSTAR3 contract expires in April 2023 and ESPO have indicated that they would like the Council to again act as the lead borough for the next iteration of the contract, branded as MSTAR4.

This new contract will continue to deliver significant savings for one source as detailed in the financial implications below.

There is limited capacity within the in-house procurement team to deliver this piece of work alone. Evolving Solutions would support one source to deliver this piece of work providing detailed specialist knowledge as required.

It is proposed that Evolving Solutions Ltd. support officers in one source to deliver the MSTAR4 contract across London using their specialist knowledge and market information to ensure that value is delivered. Evolving Solutions would be called off via ESPO Framework ESPO664.

A proposal from Evolving Solutions Ltd. to deliver this work was received and considered.

This work also raises the profile of the Council and one source across London and at a national level through ESPO.

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AUTHORITY UNDER WHICH DECISION IS MADE

Part 4.4 of the Constitution

Contract Procedure Rules –14 Waivers

14.3 Exceptions to the competition requirements may be made only if all relevant law is complied with and one of the following circumstances applies:

- i. the contract falls within one of the exceptions listed in the is rule; and
 - a. the Competition Financial Thresholds Exceptions, is fully and properly completed and signed by the relevant Member of SLT; and
 - b. the person awarding the contract can demonstrate that the contract represents the best value that can be obtained in the circumstances.

14.4 The exceptions are (as applicable):

14.6.6 Best Interest of the Council – where it is in the best interests of the Council or the Borough for a provision in these Rules to be waived to enable contract procurement to be rapidly progressed while still complying with European procurement rules.

Part 3 Responsibility for Functions of the Constitution

Section 3.3 Powers of Members of the Senior Leadership Team

General Powers

To exercise all the powers delegated to them personally and those powers delegated to Second Tier Managers and other staff members in their directorate where circumstances require and so far as legally permissible. Exercise of such powers should be recorded where appropriate. Where possible, a SLT member should give notice to relevant staff member that he or she intends to exercise a specified power that is delegated to that staff member.

Section 3.4 Powers of Second Tier Managers

Second Tier Managers are those managers directly reporting to an SLT Director. Second Tier Managers all have delegated authority to act as follows within the assigned service.

Contract powers

(a) To award all contracts below a total contract value of £500,000 but above the EU Threshold for Supplies and Services.

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STATEMENT OF THE REASONS FOR THE DECISION

The use of Evolving Solutions Ltd. to assist officers to deliver the MSTAR4 contract and the London Collaboration will ensure that income and savings on the new contract will be maximised and provide the knowledge and advice that is not present within the procurement team to deliver this work.

OTHER OPTIONS CONSIDERED AND REJECTED

Evolving Solutions Ltd. have already supported one source with the drafting, award and implementation of the MSTAR3 contract which has delivered significant savings. They have also supported the development of the London Collaboration which has supported and promoted the development of the contract across London and ensured a collective approach across London to ongoing management of the contract.

Failure to deliver and adequately manage the implementation would highly likely result in another local authority taking this work forward and benefiting from the potential rebate savings. To change providers would involve significant resource time and cost to transition to a new provider.

PRE-DECISION CONSULTATION

The Directors of HR and OD and the Director of Procurement have been consulted.

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

Name: Mark Porter

Designation: Head of HR Operations

Signature: Mark Porter

Date: 22nd July 2022

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

1. The proposed contract value is under the EU threshold for services contracts (£213,477 incl. VAT) and is not subject to the full rigours of the Public Contracts Regulations (PCR) 2015. However, under the Contract Procedure Rules (CPR) 9.8 *“For a procurement valued between £25,000 and £99,999.99 inclusive, an Officer is required to obtain at least 3 comparable written quotations using the e-tendering suite Request for Quotation procedure.”*
2. CPR 14.3 permits exceptions to the competition requirements if all relevant law is complied with; the contract falls within one of the exceptions listed in the rule; and (a) the Competition Financial Thresholds Exceptions is fully and properly completed and signed by the relevant Member of SLT and (b) the person awarding the contract can demonstrate that the contract represents the best value that can be obtained in the circumstances.
3. Under paragraph 3.3 (Powers of Members of Senior Leadership Team) of Part 3 (Responsibility for Functions) of the Council’s Constitution, members of the Senior Leadership Team (SLT) Director) have delegated authority to exercise all the powers delegated to them personally and those powers delegated to Second Tier Managers (including approve the award all contracts below a total contract value of £500,000 but above the EU Threshold for Supplies and Services).

FINANCIAL IMPLICATIONS AND RISKS

The proposed cost of engaging Evolving Solutions to undertake this work is :

1. Management of the London Collaboration contract (1 day per week) to deliver ongoing support to the London Collaboration and realise savings over a four year period : £43,200 per annum (total £172,800)
2. Reprourement of the London Collaboration contract under MSTAR4 (days to be determined at £900 per day, estimated at 54 days £48,748)

This would be paid for from savings achieved from the current MSTAR3 contract and savings achieved through the MSTAR 4 contract.

Not undertaking this piece of work will mean that a substantial rebate and income to the council would not be delivered and the opportunity could be taken up by another local authority.

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

The MSTAR4 contract will bring significant savings to one source which will then support service delivery.

There are no TUPE or other HR implications arising from this decision.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

A full Equalities Impact assessment was undertaken by ESPO when the MSTAR3 contract was procured. A full Equalities Impact assessment will be undertaken when the MSTAR4 contract is procured.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

None applicable.

BACKGROUND PAPERS

None.

APPENDICIES

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.

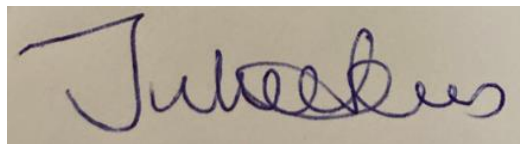
Decision

Proposal agreed

~~Proposal NOT agreed because~~

Details of decision maker : Julie Harris, Director of HR and OD

Signed

A rectangular box containing a handwritten signature in blue ink. The signature appears to be 'Julie Harris' written in a cursive style.

Name:

Cabinet Portfolio held:

CMT Member title:

Head of Service title

Other manager title:

Date:

Lodging this notice

The signed decision notice must be delivered to the 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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