

Notice of Non- KEY Executive Decision

Subject Heading:	Approval to commence a procurement process for a HES Catering contract for Kitchen Duct Cleaning
Decision Maker:	Tara Geere, Director Children's Services
Cabinet Member:	Councillor Oscar Ford
SLT Lead:	Tara Geere, Director Children's Services
Report Author and contact details:	Beverley Allen – Contracts and Supply Chain Executive 01708 431930 beverley.allen@havering.gov.uk
Policy context:	Supports educational outcomes within the 'Communities' context of the Havering Vision.
Financial summary:	The cost of the current contract including VAT is c. £34,800 per annum (£104,400 total for a 3 year contract). The amount funded from HES Catering Service revenue budgets excludes VAT, and this is currently £29,000 per annum. The revenue budget is dependent upon income generated from schools that have catering contracts with HES.
Date notice given of intended decision:	21st June 2023

Key Executive Decision

Relevant OSC:	People Overview & Scrutiny Sub Committee
Is it an urgent decision?	No
Is this decision exempt from being called-in?	Yes, it is a Non key Decision by Officer

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

To agree to commence a procurement for the provision of Kitchen Duct Cleaning for schools who purchase catering services from HES. The indicative value of the contract ex VAT is c. £36,666 per annum (£110,000 total contract value).

AUTHORITY UNDER WHICH DECISION IS MADE

The Council Constitution Part 3

3.3 Powers of Members of the Senior Leadership Team

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

Contract powers

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

STATEMENT OF THE REASONS FOR THE DECISION

HES Catering Services is seeking approval to commence the procurement process for the provision of Kitchen Duct Cleaning for schools who purchase catering services from HES. The indicative value of the contract including VAT is c. £34,800 per annum (£104,400 total contract value). The cost excluding VAT is £29,000 per annum.

This clean is required in order to comply with current industry standards and regulations for the 57 schools within the HES Catering Service remit. The kitchen extract system presents particular hazards due to the potential for the accumulation of grease. Accumulated grease forms a hidden combustion load and under certain circumstances flames or very high temperatures within the duct can ignite the grease causing fire to spread rapidly. This is an urgent requirement as this service must be conducted annually during the summer break when the school kitchen is not in daily use. This is to ensure that HES Catering and the council are compliant with H&S regulations.

HES Catering will use the council's Fusion portal to invite potential suppliers to quote. The service has already carried out market engagement to ensure that suitable suppliers are aware of the impending request for quotations via Fusion.

The weighting criteria that the service will use in order to evaluate all quotes received from bidders will be against pre-determined best price-quality ratio of 70% cost and 30% quality. The contract will be awarded to the most economically advantageous tender/quote (MEAT).

The project is aligned with the following Havering priority:

'Our children, young people thrive and are inspired to reach their full potential'

HES Catering have helped educate Havering pupils on the provenance of food and how a healthy diet, in conjunction with regular exercise, is essential to their development. The team are now embarking on a follow-up campaign with Public Health as part of the London Borough

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of Havering's 'Obesity Strategy'. HES Catering also champion inclusive values, which are reflected in menus. Theme days and menus ensure that a culturally diverse menu is on offer, helping to teach pupils about inclusion and diversity.

OTHER OPTIONS CONSIDERED AND REJECTED

Purchase ad-hoc from the market

Given the potential cumulative value of spend over time, this option will not be compliant with the council's procurement guidelines and policies. The service would be at the mercy of suppliers who, not bound by contract terms and conditions, could increase prices at their own discretion.

To use an existing framework

Following extensive research of national frameworks, it is clear that there are none suitable for this specialist area of work.

PRE-DECISION CONSULTATION

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

Name: Beverley Allen

Designation: Contracts & Supply Chain Executive

Signature: *Beverley Allen*

Date: 16.06.2023

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The Council is an education authority. It has power to procure the contract under Section 111 of the Local Government Act 1972 which, permits the Council to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.

The Council may also procure the contract using its general power of competence under Section 1 of the Localism Act 2011 to do anything an individual may generally do subject to any statutory constraints on the Council's powers. None of the constraints on the Council's s.1 power are engaged by this decision.

The proposed contract value of £104,400 is below the applicable Public Contracts Regulations 2015 ("PCR") threshold for services contracts of £213,477 (inc VAT). Accordingly it is not subject to the full PCR regime. The procurement must comply with the requirements of the Council's contracts procedure rules. The proposed open tender complies with these requirements.

For the reasons set out above, the Council can award the contract

FINANCIAL IMPLICATIONS AND RISKS

The actual cost of the new contract will not be known until the tendering process is completed.

The current cost including VAT is c. £34,800 per annum. The cost excluding VAT is £29,000 which is funded from HES Catering Service revenue budgets.

The budget is dependent upon income generated from catering contracts with schools.

If the new contract cost is more than the current cost it will cause a pressure on the HES Catering budget which cannot be offset until either, meal prices are increased, other cost reductions are identified or demand increases.

The Financial Implications will be reassessed prior to the award of the contract.

Being a wholly traded service, the expectation is for the contract to deliver effective value for money, allowing the service to continue operating as a feasible catering service to its clients.

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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.

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.

HEALTH AND WELLBEING IMPLICATIONS AND RISKS

Havering Council is committed to improving the health and well-being of all residents including that of school pupils.

HES Catering's goal is to, not only to provide healthy, nutritious and delicious meals to sustain students throughout the day, but to inspire and educate young people and their families by providing them with the essential information they need to develop healthy and balanced lifestyles.

HES Catering have helped educate Havering pupils on the provenance of food and how a healthy diet, in conjunction with regular exercise, is essential to their development. The team are now embarking on a follow-up campaign with Public Health as part of the London Borough of Havering's 'Obesity Strategy'. HES Catering also champion inclusive values, which are reflected in menus. Theme days and menus ensure that a culturally diverse menu is on offer, helping to teach pupils about inclusion and diversity.

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ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

The procurement process will follow the principle of sustainable procurement which is the act of adopting social and environmental factors alongside price and quality considerations.

It will be vital to ensure that suppliers can provide suitable assurance on the social and environmental sustainability of their supply chain. This will be achieved via the tender process and any supplier invited to bid stage will need to demonstrate and evidence set criteria within their tender response as outlined below:

- **Environmental**

Evidence will need to demonstrate that the company is seeking to minimise any negative environmental impacts of goods and services purchased, across the whole life cycle from raw material extraction to end of life

Throughout the contract lifecycle HES Catering will also collaborate with our suppliers to identify and implement improvements and support our efforts to continually improve in the sustainable development arena.

BACKGROUND PAPERS

None

APPENDICIES

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

A handwritten signature in black ink, appearing to read 'Tara Geere', with a long horizontal stroke extending to the right.

Name: Tara Geere

Cabinet Portfolio held:

CMT Member title: Director of Starting Well (DCS)

Head of Service title

Other manager title:

Date: 27/06/2023

Lodging this notice

The signed decision notice must be delivered to Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____