

## Notice of Non-key Executive Decision

<b>Subject Heading:</b>	Procurement of Kitchen Management System Software for HES Catering Service
<b>Decision Maker:</b>	Tara Geere, Director of Starting Well (Statutory Director for Children’s Services)
<b>Cabinet Member:</b>	Councillor Oscar Ford
<b>SLT Lead:</b>	Barbara Nichols, Strategic Director of People
<b>Report Author and contact details:</b>	Michelle Tarten, Brokerage and Partnerships Manager 01708 431108 <a href="mailto:Michelle.tarten@havering.gov.uk">Michelle.tarten@havering.gov.uk</a>
<b>Policy context:</b>	Supports educational outcomes within the ‘Communities’ context of the Havering Vision.
<b>Financial summary:</b>	<p>The value of the contract is £40k per annum, which is a total contract value of £160k over the full contract term (3 years plus one year possible extension).</p> <p>The current cost is £46k per annum, so the new contract will deliver an annual reduction of £6k.</p> <p>The funding will come from HES Catering Service revenue budgets. As Catering is a Traded Service there is no base budget provision, but expenditure is offset against income that is generated from Catering contracts with schools.</p>

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<b>Relevant Overview &amp; Scrutiny Sub Committee:</b>	People Overview and Scrutiny Sub Committee
<b>Is this decision exempt from being called-in?</b>	<i>The decision will be exempt from call in as it is a Non key Decision</i>

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

People - Things that matter for residents      x

Place - A great place to live, work and enjoy

Resources - A well run Council that delivers for People and Place.

***Place an X as appropriate***

**Part A – Report seeking decision**

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

This report seeks the approval of the Director of Starting Well (Statutory Director for Children's Services) to:

- a) direct award to ParentPay Ltd via the Crown Commercial Services (CCS) G-cloud 13 Digital Software framework Lot 2 for a term of 3 years (plus an optional 1 year extension) for a kitchen management system software and associated hardware rental contract at a cost of £40,000 per annum (£160,000 in total over the 3+1 year term).

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

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

General Powers

- (a) To take any steps necessary for proper management and administration of allocated portfolios

Contract powers

- (b) To award all contracts with a total contract value of between £500,000 and £5,000,000

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

Currently HES Catering Service utilises a kitchen management software package (Cypad) provided by ParentPay Ltd in the provision and management of schools meals.

The kitchen management system is critical to the operations of HES Catering Services. It enables direct links to contracted suppliers in respect of pricing, stock management and nutritional information management. This helps to ensure that the provision of meals is safe, cost effective, accurate and compliant.

The system also records mandatory Health and Safety routine checks undertaken by Kitchen Supervisors at each school site.

Due to the current contract ending on 31 December 2023, there is an urgent need for the Council to put a contract in place to ensure that the Council is compliant with the contract procedure rules and procurement regulations.

Following the steps set out in the CCS G-Cloud framework guidance and a desk top evaluation, ParentPay Ltd (Cypad) is the only supplier which has met the service requirements. The contract is therefore to be awarded to ParentPay Ltd who are the current software solution.

The CCS G-Cloud 13 Lot 2 framework offers the option to directly award the contract. On this basis, ParentPay Ltd was elected as the preferred supplier.

The contract cost is £40K per annum, £160K over a lifetime contract of a three year period (plus one year possible extension) . This is an annual saving of £6k on the current cost, which

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is approx. £46k per annum. The savings have been achieved due to using the framework. The prices are also guaranteed to be held for the lifetime of the contract.

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

#### **Not to re-tender for this requirement but to continue to extend the current contract.**

It was considered that the contracts are not re-tendered but extended on a rolling 12 month basis. Given the potential cumulative value of spend over time, this option will not be compliant with procurement laws, the Council's procurement guidelines and policies. Furthermore, this option would not enable the service to benefit from the opportunity to secure framework pricing which will be held for the lifetime of the contract. Therefore, this option was rejected.

#### **To run a full procurement process for this contract**

Initially, the plan was to go to market and follow a full tender process. The service decided against this option as it will take considerable time and a funding via this route. It was also felt that as the current system was a heavily used and embedded system, which has been in use for many years, it would take substantial effort to replace software that was already fit for purpose. Calling off a contract via an existing CCS Digital framework which allows direct award, offered the most pragmatic, time efficient and economical solution for the service needs.

### **PRE-DECISION CONSULTATION**

Consultation has taken place with the Architectural Design Board to ensure alignment within the Council's broader digital ambition. The Board gave the go ahead to procure the software.

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

Name: Michelle Tarten

Designation: Brokerage Service and Partnerships Manager

Signature: *Michelle Tarten*

Date: 29.12.23

## Part B - Assessment of implications and risks

### **LEGAL IMPLICATIONS AND RISKS**

The Council has the general power of competence under Section 1 of the Localism Act 2011 to do anything an individual may generally do subject to any limitations. The contract may be awarded in accordance with these powers.

Additionally, the Council has the 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 total value of the contract (£160,000) is below the applicable services threshold of £214,904 stipulated in Public Contracts Regulations 2015 (PCR). The contract is therefore not subject to the full rigours of the PCR, however any award must comply with the Council's Contracts Procedure Rules (CPR). The body of this report confirms that the proposed procurement route is compliant with CPR 20.

Therefore, the contract can be awarded to Parent Pay Ltd.

### **FINANCIAL IMPLICATIONS AND RISKS**

The new contract will cost £40k per annum. Calling off an existing framework will contribute to achieving value for money. The prices of the software and associated hardware rental will be held for the lifetime of the contract.

The current cost is c. £46K per annum, so the new contract will deliver an annual reduction of £6k.

The contract is funded from the HES Catering Service revenue budget, which is dependent upon income generated from catering contracts with schools.

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 viable catering service to its clients.

### **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.

### **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;

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- (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.

### **ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS**

The recommendations made in this report do not give rise to any identifiable Environmental and Climate Change implications and risks.

Environmental and climate change requirements have been taken into account as part of the CCS tendering process. The service will require that the appointed supplier evidences their continued work on fighting climate change, tackling economic inequality and equal opportunity via robust contract management throughout the life of the contract.

### **BACKGROUND PAPERS**

None

### **APPENDICES**

**Appendix N/A**

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**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*

**Details of decision maker**

Signed



Name: Tara Geere

Cabinet Portfolio held:

ELT Member title: Strategic Director of Starting Well

Head of Service title

Other manager title:

Date: 17.01.24

**Lodging this notice**

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

**For use by Committee Administration**

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

Signed \_\_\_\_\_