

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Buildings, Land and Procurement Panel
Date:	26 March 2019
Title:	Strategic Procurement and County Supplies Contracting Activity and Approvals for 2019/20
Report From:	Director of Transformation and Governance – Corporate Services

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1. Recommendation(s)

- 1.1. That the Buildings, Land and Procurement Panel make the following recommendation to the Executive Member for Policy and Resources.
- 1.2. That spend approval, as appropriate, be given for the contracts as detailed in Appendix 1.

2. Executive Summary

- 2.1. The purpose of this paper is to present the relevant procurement approvals in relation to the contract identified within the Appendix 1. This approval request is in accordance with the County Council's Contract Standing Orders and Constitution.
- 2.2. This County Council's Contract Standing Orders (CSO) requires that the procurement of a Contract (not including a Framework Agreement) is subject to the approval of the relevant decision maker who has the authority to give approval for the relevant expenditure under the Constitution.
- 2.3. Framework agreements are not linked to specific one-off purchases or projects but provide for the ongoing routine goods and services requirements of a large number of individual budget holders, either through direct call-offs or mini-competitions as required by each framework agreement. Therefore the framework agreement values are only estimates and expenditure will be determined by the actual commitments made by the budget holders keeping within their approved budgets.

Contextual information

- 2.4. The programme of procurements contained within this report includes arrangements for use by the County Council, Hampshire Constabulary and Hampshire Fire and Rescue Service, schools and other external partners and

customers, with a total estimated value over £1 million. Contracts with a total value of under £1 million are approved by the relevant budget holder under the scheme of delegation

2.5. Whilst all the latest finalised procurement proposals are included in this report, further procurement projects are planned during 2019 and 2020. Once fully developed, these proposals will be reported to this Panel prior to seeking Executive Member for Policy and Resources approval.

2.6. Background and further context has been provided for the procurements in the Appendix 1.

2.7. Fuel Cards and Ancillary Services for Hampshire Transport Management

The current contract that Hampshire Transport Management operates is due to expire in January-2020 and needs replacing. Hampshire Transport Management requires a solution for the provision of fuel cards that cover fuel and associated services, providing regional, nationwide and European coverage. This is an ongoing requirement with budgetary allocation to support all HCC Fleet Vehicles. The arrangement supports HCC, in the management and controlling of fleet costs, providing an easy method of payment for fuel and detailed management information for efficient fleet management.

2.8. Provision of Insurance Services

Hampshire County Council's current insurance provision expires in 2020 and needs replacing. It is necessary to provide insurance cover to limit the risk exposure of the Council's self-insurance provision and where the Council is required to purchase insurance under contract.

The costs of some of these insurance policies have risen substantially since the last tender of this contract. This reflects market volatility, increasing claims costs and the effect of legal changes to the way that long term catastrophic injury cases are calculated (known as the "discount rate").

All insurance premiums are subject to Insurance Premium Tax, which is currently charged at 12%, but is forecast to rise within the next 5 year period. Unlike VAT, this is non-recoverable.

2.9. Membership, Booking and Electronic Point of Sale

Culture, Communities and Business Services (CCBS) require a software solution for membership, bookings and electronic point of sale (EPOS) system from May 2019. The contract will implement the solution across Country Parks, Hampshire Outdoor Centres, Hillier Gardens, as well as the installation of new Electronic Point of Sales Tills across other services including Libraries, HC3S, the Great Hall, and Archives and Records. The Call off Contract value for the CCBS in-scope services is £3 Million and within this amount there is a contingency to allow for other HCC Departments to utilise the solution if necessary.

The introduction of an EPOS system is part of the Transformation programme for T21 and will transform services, allowing for a better customer experience for new memberships, reduce membership misuse and allows for targeted marketing while standardising systems across all services. The system will improve data gathering which in turn will improve business critical decision making.

2.10. Provision of Cleaning Services for Non-Educational Establishments

As part of the HCC FM Strategy, Hampshire County Council are looking to move a single supplier for Non-Educational Cleaning. To facilitate this, a Dynamic Purchasing System (DPS) was established in March 2018 with the scope to include additional sites in line with the FM strategy.

Site information is in the process of being collated and finalised to create a call off for the Non-Educational establishments across both HCC and Hampshire Fire & Rescue Service against this DPS. This new arrangement will also incorporate window cleaning requirements.

This is planned to be out to market to allow for award and mobilisation by the 1st October 2019. Permission is therefore required to extend the 6 current contracts which will have reached the end of their term prior to the award of the new contract (use of Regulation 72 under the Procurement regulations) to maintain the current service until the 1st October 2019.

Further information is contained within the Confidential Appendix as to the contracts being extended.

3. Consultation and Equalities

- 3.1. This report seeks approval for spending on individual procurements and no equality impacts have been identified.

CORPORATE OR LEGAL INFORMATION:**Links to the Strategic Plan**

Hampshire maintains strong and sustainable economic growth and prosperity:	yes
People in Hampshire live safe, healthy and independent lives:	yes
People in Hampshire enjoy a rich and diverse environment:	yes
People in Hampshire enjoy being part of strong, inclusive communities:	yes

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

Document

Location

None

IMPACT ASSESSMENTS:

1. Equality Duty

1.1. The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

1.2. Equalities Impact Assessment:

This report seeks approvals for spending on individual projects and no equality impacts have been identified.

2. Impact on Crime and Disorder:

2.1. The County Council has a legal obligation under section 17 of the Crime and Disorder Act 1998 to consider the impact of all decisions it makes on the prevention of crime. The proposals in this report have no impact on the prevention of crime.

3. Climate Change:

Positive impacts on climate change will be considered at the time of each procurement and its strategy. This report seeks solely procurement approvals and is not appropriate to set out specific impacts on climate change for each individual procurement.