

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Commercial Strategy, Human Resources and Performance
Date:	17 March 2021
Title:	Property Services Commercial Decisions Report
Report From:	Steve Clow – Assistant Director – Property and Facilities

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Purpose of this Report

1. The purpose of this report is to seek approval to procure and spend for a new Water Supply and Wastewater contract for the period 2021-2026.

Recommendations

It is recommended that the Executive Member for Commercial Strategy,

2. Approve a contract is let with Laser (Kent County Council's public buying organisation) for the period 2021 – 2026 with an estimated total value of circa 15m.
3. Approve that the procurement will include Hampshire County Council and Partners as well as any other interested Local Authorities.

Executive Summary

4. HCC ran a tender via the Laser Water Supply Framework in 2018 leading to the award of a Water Supply and Wastewater contract to Business Stream for an initial term of 3-year expiring in September 2021.
5. Several Local Authorities have since expressed an interest in joining HCC's arrangement, whilst Laser is currently procuring a new Framework to further enhance the existing Framework expiring in July 2021.
6. The intention is to run a compliant tender using the new Laser Framework in Q3 2021 to drive further benefits and aggregate the spend with other interested Local Authorities (currently includes New Forest District Council, Test Valley Borough Council, Winchester City Council, Havant Borough Council and East Hampshire District Council).

7. The current annual spend is in the order of £2.5m per annum for Hampshire County Council and partners (Hampshire Constabulary and Hampshire Fire and Rescue Service (HFRS)). The addition of other Local Authorities' partners will increase the total spend.

Contextual Information

8. The water supply market for non-domestic supply opened to competition on 1st April 2017. In early 2018 the Energy team in Property Services undertook to contract for its Water Supply and Wastewater requirements.
9. After a review of market options the team ran a mini-tender via the Laser Water Framework including the County Councils Corporate Estate, Schools, HFRS and Hampshire Constabulary. This concluded with the award of a 5-year contract to Business Stream which started in October 2018 with 3-year term.
10. The contract enabled the delivery of the planned benefits such as supplier rationalisation, competitive supplier margin, streamlining of "Procure to Pay" process (invoicing and payment), access to online data and comprehensive management information reports.
11. Since then, several authorities have expressed an interest in joining Hampshire County Council's contract. However, due to increased costs of delivery in the industry, Business Stream was not able to accept the addition of new customers under the current terms.
12. Furthermore, Laser is developing an improved Water Supply Framework, due to be published and available in Q3 2021. This would allow the County Council to add additional partner authorities, benefit from spend aggregation, provide enhanced features building on the experience of the current framework and its customers as well as building on the existing strong relationship with Laser.
13. Additional benefits will include advanced reporting capabilities, additional services to focus on water efficiency measures as well as stronger governance and performance management at framework level.
14. Work is already on-going with the interested partner Local Authorities to review the tender requirements and gather the portfolio and site data necessary for the commercial bids.
15. The contract is intended start in Q4 2021/Q1 2022 for an initial term of 3 year with the option to extend by a further 2 years.

REQUIRED CORPORATE AND 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:	no

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

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

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 by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

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

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

2. Equalities Impact Assessment:

- 2.1. The services procured through the proposed contracts support the continued operation of sites and services across the County Council, schools and wider public sector in Hampshire for the equal benefit of all service users.