

NOTTINGHAM CITY COUNCIL

COMMISSIONING AND PROCUREMENT SUB-COMMITTEE

MINUTES of the meeting held at LH 0.06 - Loxley House, Station Street, Nottingham, NG2 3NG on 10 September 2019 from 9.01 am - 9.47 am

Membership

Present

Councillor Sam Webster (Chair)
Councillor Eunice Campbell-Clark
Councillor Sally Longford
Councillor Adele Williams

Absent

Councillor Cheryl Barnard (Vice Chair)

Colleagues, partners and others in attendance:

Jacquie Blake	- Commercial Operations Manager, Catering
Paul Burrows	- Change Projects and Strategy Manager
Elisa Flintoff	- Contracts Performance Officer
Liz Hiskens	- Service Manager, Highways
Steve Oakley	- Head of Contracting and Procurement
Simon Salmon	- Head of IT
Syd Shaw	- Technical Officer
Zena West	- Governance Officer
Councillor Linda Woodings	- Portfolio Holder for Housing, Planning and Heritage

Call-in

Unless stated otherwise, all decisions are subject to call-in. The last date for call-in is 20 September 2019. Decisions cannot be implemented until the working day after this date.

19 APOLOGIES FOR ABSENCE

None.

20 DECLARATIONS OF INTEREST

None.

21 MINUTES

The Board confirmed the minutes of the meeting held on 9 July 2019 as a correct record and they were signed by the Chair.

22 VOLUNTARY AND COMMUNITY SECTOR UPDATE

This item was withdrawn as it was added to the agenda in error.

23 FRESH FRUIT AND VEGETABLE SUPPLY CONTRACT - KEY DECISION

Jacquie Blake, Commercial Operations Manager, presented a report to the Sub Committee regarding a two to four year tender for a new fresh fruit and vegetable supply contract. Following questions from Councillors, it was confirmed that all food is sourced locally where possible, most items within 50 miles of Nottingham. Councillors noted that this was positive, and would contribute to the Council's aim of reducing carbon emissions and becoming carbon neutral.

RESOLVED to:

- (1) approve the undertaking of a tender, using a public sector framework, to procure a contract for the supply of fresh fruit and vegetables. The contract will be for a 2-year period with the option to extend for a further 1+1 years;**
- (2) delegate authority to the Corporate Director for Commercial and Operations to award the contract, following the tender process.**

Reasons for decision

- The current contract for the supply of fresh fruit and vegetables expires on 31 December 2019. A new contract needs to be in place and therefore a competitive tender process will ensure that there will be both quality of product and value for money for the education and commercial sites.
- This is a contract for supplies and is subject to the Public Contracts Regulations 2015, which requires the City Council to undertake a competitive tender process to award the contract.
- The expenditure will be covered by the charges for school meals that is either through paid meals or the free school meal budget of schools and academies, or income from commercial sites.

Other options considered

Do nothing. This option has been rejected as Nottingham Catering requires a supplier to provide fruit and vegetables to schools and commercial sites to ensure that services can be provided to citizens and ensure that the business continues to provide a net return to the council.

24 PROCUREMENT OF A NEW WORKWEAR CORPORATE CONTRACT - KEY DECISION

Steve Oakley (Head of Contracting and Procurement) and Elisa Flintoff (Contracts Performance Officer) presented a report on the Work wear Corporate Contract, requesting permission to establish a framework to supply PPE (personal protective equipment) and work wear. Other organisations may also use the framework, but approval is only sought for cost incurred by Nottingham City Council. Whilst sourcing

work wear locally would be positive in many respects, it would not be possible to achieve the same cost savings.

RESOLVED to:

- (1) establish a 4 year framework for the supply of PPE, Tools and Work wear for NCC and a number of named partner organisations;**
- (2) approve a maximum spend of £475,000 per annum over 4 years (£1,900,000 in total).**

Reasons for decision

- The establishment of a framework presents Nottingham City Council with the ideal opportunity to centralise the service, implement robust contract management and achieve a more efficient and effective service. The services will not be an exact replication of previous practices.
- Being able to procure and establish a compliant framework means that there will be a considerable opportunity for savings.

Other options considered

Do nothing. This was rejected as this risk the creation of informal arrangements across departments that would lead to inefficiencies and detrimental financial implications.

25 VOICE AND DATA NETWORKS CONTRACT RENEWAL - KEY DECISION

Paul Burrows (Change Projects and Strategy Manager) and Simon Salmon (Head of IT) presented a report on the Voice and Data Networks Contract Renewal. The Sub Committee were initially concerned that every avenue for cost saving had been explored, given the high potential value of the contract. They were reassured that the service is still required (as there is an irreducible level of demand for voice services), and that the amount for approval is typically a ceiling figure, with a good history of yielding savings on this budget, and aggressive control of expenditure.

Nottingham City Council buys network services from commercial suppliers, and they provide both telephone services and the data network to allow people to access systems and software. The service is usually bought every 5 years, on a 3+2 basis to account for developing technologies. As there is the potential to move to new supplier, it is prudent to go out to tender as early as possible to manage any potential transition to a new supplier. There is a clause within the contract to allow for a change in usage (i.e. from new buildings/sites or from losing building/sites which require a voice and data network).

RESOLVED to:

- (1) delegate authority to the Head of Service (IT) to enter into contracts up to the value of £8,000,000 using approved procurement methods for voice and data network contracts for a period of up to 5 years;**

- (2) **approve allocation of funding from the IT Efficiency Fund for the five year period 2020/21 to 2024/25 to purchase voice and data network services.**

Reasons for decision

- The current voice and data network contracts that enable Nottingham City Council to provide services will expire on 30 October 2020. The Council's Financial Regulations require that contracted services are subject to competitive tender to ensure that value for money is achieved.
- Because of the size of the contracts and the complexity of the services to be purchased a significant lead time should be allowed should the supplier of these services be changed through the competitive tendering exercise. This is the reason that approval for this work is being sought so far in advance of the current contracts' expiry dates.
- Use of the CCS framework allows the Council to access pre-assessed providers of services which helps ensure the quality, including security capability, of bidders.

26 REPLACEMENT OF COMMUNICATIONS INFRASTRUCTURE EQUIPMENT - KEY DECISION

Paul Burrows (Change Projects and Strategy Manager) and Simon Salmon (Head of IT) presented a report on the Replacement of communications infrastructure equipment. The equipment in question is hardware used to control how messages are sent round the network, called switches. Nottingham City Council's current switches were installed 7 years ago and have come to the end of their supported life from the supplier. The Council has an obligation to Central Government to maintain a minimum security level, which replaces the switches will ensure. The official lifespan is 5 years, but switches are used as long as possible in order to obtain better value for money.

RESOLVED to:

- (1) **delegate authority to the Head of Service (IT) to enter into contracts up to the value of £1,600,000 using approved procurement methods for replacement of communications infrastructure equipment, associated products and services;**
- (2) **approve allocation of funding from the IT Efficiency Fund for the funding of replacement of communications infrastructure including addition to maintenance and support contracts.**

Reasons for decision

- The current core network switches used by Nottingham City Council in its data centres and for communication with remote sites are now 'end of life'. They will

not receive manufacturers' support and security vulnerabilities within the devices will cease to become patched.

- The devices are responsible for providing connectivity of both voice and data services across the converged network extending to Council sites and partner agencies. The reliable operation of switches is critical to the delivery of Council services. The main data centre switches control the management of messages within the Council's data centres, passing messages between processors, storage devices, etc.

Other options considered

- It is not feasible for the Council to operate without switches to enable the operation of the data network and so this is not recommended.
- The existing switches could continue to be used and not replaced. This is a feasible option but is not recommended because: the existing switches will have insufficient capacity for the increased traffic they will have to bear with changes in working; the switches will pose a security vulnerability, an immediate risk to the Council but also likely to result in the Council being excluded from connection to other secure networks, and; because of the difficulty in supporting the switches in the event of component failure there would be a risk to service delivery.
- The existing switches could be upgraded. This is a feasible option but is not recommended because the upgrade path on the current switch models in use is of itself only a short life.

27 AWARD OF TRAFFIC SIGNAL MAINTENANCE CONTRACT - KEY DECISION

Liz Hiskens (Service Manager, Highways Network Management) and Syd Shaw (Technical Officer, Traffic Control Centre), presented a report on the Traffic Signal and Maintenance contract. The current contact is coming to a close, and the highways team is working with a number of local authorities to get the best value for a new contract, in joint collaboration with Warwickshire County Council (WCC) and Coventry City Council (CCC). The contract covers maintenance of signals, variable signs, rising bollards and all intelligent highways systems. The contract will allow for upkeep and maintenance, and significant capital investment.

RESOLVED to:

- (1) **authorise The Head of Traffic to approve the award of the traffic signal maintenance contract to the successful supplier from the outcome of the collaborative OJEU tendering process conducted by WCC, Nottingham City Council and CCC;**
- (2) **authorise The Head of Traffic to sign the back-to-back agreement on behalf of Nottingham City Council with WCC, which ensures access to core and additional services under the traffic signal maintenance contract.**

Reasons for decision

The contract ensures that the Council can continue to fulfil its duty in maintaining and inspecting traffic signal junctions, pedestrian crossings and other related on street equipment at regular intervals.

Other options considered

NCC has the option of tendering for the new traffic signals contract on its own, however, this option was not taken, as the benefits of collaborative working would not be realised. The opportunity cost to NCC would be all the financial benefits which would result from collective bargaining and economies of scale available in the market under a collaborative approach with WCC and CCC.

28 TRAVEL AND ACCOMMODATION - KEY DECISION

Steve Oakley (Head of Contracting and Procurement) and Elisa Flintoff (Contracts Performance Officer) presented a report on the award of a Travel and Accommodation contract. The proposed contract can also be used to book last minute overnight accommodation for citizens. Reports on emergency citizen accommodation are sent every fortnight to the relevant Portfolio Holder, and there is a 'gatekeeper' on the ability to use this provision. Usage is tracked and monitored very closely, and is only used as a last resort. Staff accommodation and travel has reduced dramatically in recent years, and Corporate Directors are provided with information to take appropriate action if policy is breached. The system also allows Nottingham City Council to cap spend.

RESOLVED to:

- (1) award a 4 year contract(s) following a call off process to a travel booking management provider to offer corporate travel solution as the current framework contract is due to expire November 2019;**
- (2) delegate authority to the Director of Strategy and Resources to award the contract(s), and to delegate authority to the Head of Contracting and Procurement to sign any contract documents produced as a result;**
- (3) approve spend as detailed in Exempt Appendix 1 against this decision, noting that individual service areas review the need for travel and accommodation expenditure.**

Reasons for decision

- A travel and accommodation booking system is required to enable Council Colleagues to book travel as necessary, to perform their duties and meet statutory responsibilities. The accommodation booking facility may also be used for booking emergency accommodation for vulnerable citizens in the event that all other alternative options have been exhausted.

- The existing arrangement is due to expire 30 November 2019 and Nottingham City Council requires a new contract(s) to ensure compliance and best value.

Other options considered

- Do nothing - as the current contractual arrangement will expire 30 November 2019, this would expose the Council to a risk of higher costs and for this reason this option was rejected.
- Advertise and run a competitive tender exercise - this is not deemed to be best value due to the administrative costs and time involved. Due to delays in implementing a new contract, Nottingham City Council cannot delay further before making an award to the most advantageous provider.

29 EXCLUSION OF THE PUBLIC

RESOLVED to exclude the public from the meeting during consideration of the remaining items in accordance with Section 100(4) of the Local Government Act 1972 on the basis that, having regard to all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

30 TRAVEL AND ACCOMMODATION - EXEMPT APPENDIX

RESOLVED to note the information contained in the exempt appendix.