



PUBLICATION OF DECISION LIST NUMBER 5/18-19

MUNICIPAL YEAR 2018/2019

Date Published: Tuesday 26 June 2018

This document lists the Decisions that have been taken by the Council, which require publication in accordance with the Local Government Act 2000. The list covers Key, Non-Key, Council and Urgent Decisions. The list specifies those decisions, which are eligible for call-in and the date by which they must be called-in.

A valid request for call-in is one which is submitted (on the form provided) to the Governance and Scrutiny Team in writing within 5 working days of the date of publication of the decision by at least 7 Members of the Council.

Additional copies of the call-in request form are available from the Governance and Scrutiny Team.

If you have any queries or wish to obtain further report information or information on a decision, please refer to:
– Claire Johnson (ext.4239)

Phone 020 8379 then extension number indicated

INDEX OF PUBLISHED DECISIONS – Tuesday 26 June 2018

| List Ref | Decision Made by | Date Decision comes into effect | Part 1 or 2 | Subject/Title of Report | Category of Decision | Affected Wards | Eligible for Call-In & Date Decision must be called in by (If Applicable) | Page Number |
|-----------------|------------------------------|--|---------------------|--|-----------------------------|-----------------------|--|--------------------|
| 1/5/18-19 | Executive Director Resources | Wednesday 4 th July 2018 | Part 1 & 2 (Para 3) | ICT & Transformation Work Programme External Resources | Key Decision KD: 4700 | All | Yes – Tuesday 3 rd July 2018 | 1-3 |
| 2/5/18 -19 | Executive Director Resources | Thursday 21 st June 2018 | Part 1 | Housing Quarterly Electricity Contract Renewal – Landlords’ Supplies – Approval of Procurement and Award of Contract using LASER Framework | Key Decision KD:3473 | All | No (Call-In Waiver) | 4-6 |

DECISIONS

For additional copies or further details please contact Claire Johnson (020 8379 4239), Governance and Scrutiny Team.

LIST REFERENCE: 1/5/18-19

SUBJECT TITLE OF THE REPORT :

ICT & TRANSFORMATION WORK PROGRAMME EXTERNAL RESOURCES

| Part 1 or 2 (relevant exempt Paragraph) | Wards affected by decision | Decision taken by | Date Decision comes in to effect | Interest declared in respect of the Decision | Category of decision (i.e. Key, Non-Key, Council, Urgent) | Contact Details | Eligible for Call-in & Date to be called in by |
|--|-----------------------------------|------------------------------|---|---|--|--|---|
| Part 1 & 2 (Para 3) | ALL | Executive Director Resources | Wednesday 4 th July 2018 | None | Key Decision: KD: 4700 | Martin Sanders 020 8379 4775 martin.sanders@enfield.gov.uk | Yes – Tuesday 3 rd July 2018 |

AGREED: that the following decisions will come into effect on Wednesday 4th July 2018, subject to not being called in:

1. The Executive Director of Resources approves the use of the following work packages from Venn and SunGard:
- 2.

| Work Package | Risk of not putting work package in place |
|--|---|
| Project Management | Work Programme will have no project managers |
| Programme Management | Enabled Employee, SunGard Data Centre exit and Skype for Business will not be delivered on time or in budget |
| Adult Social Care Programme Management | Social Care Programme is not delivered on time or in budget |
| End User Computing Project | End User Computing – Device replacement project – will have no project manager and not be delivered on time or in budget |
| Testing | Programmes such as Enabled Employee and Digital Platform development will have no test resource until permanent resource is appointed |
| Technical ICT | Day to day support and project development of infrastructure will be at risk potentially losing services until permanent resource appointed |
| Web Development | Website may fail or any web development will not be done until permanent resource appointed |

| | |
|---------------------|--|
| BizTalk Development | The day to day integration of the website to line of business systems will not be supported |
| Operational ICT | The will be no day to day support for networks or servers until permanent resource appointed |
| Security | No lead on Security to look after day to day issues until permanent resource is appointed |
| GDPR | Enfield do not have a Data Protection Officer or office (Statutory Requirement) |
| ICT Security | There are no security officers to be able to resolve issues until permanent resource appointed |

- a. The work packages provide resources that will be replaced by recruitment to permanent roles.
- b. The minimum expected recruitment period is 4 months and a maximum of 6 months is costed and factored in to mitigate the risk of failing to complete recruitment and handover to permanent resources in time. If that happened then both day to day service delivery and completion of the work programme within time would be compromised.
- c. Remaining costs are to deliver specific items to the end of the programme or project.
- d. These are to be funded from the agreed Work Programme budget for 2018/19-2019/20 (key decision no: 4410), and some funding from schools for the GDPR work package, whilst the ongoing service delivery is to be charged to revenue, capital receipts or reserves.
- e. Approval is sought to accept the supplier liability limit set out in the draft contract mentioned within the risks section below, rather than the unlimited liability required in the Council's CPRs.

ALTERNATIVE OPTIONS CONSIDERED

1. Do Nothing: Not acceptable, as this would put the council's approved work programme and some service delivery at risk.
2. Recruit to fixed-term or permanent employee contracts now: roles are going through the final evaluation processes with HR, after which they will be advertised, so new recruits can join the council in 4-6 months' time.

REASONS FOR RECOMMENDATIONS

1. The recommended option is to award contracts to Venn and SunGard to protect business continuity, control costs, and improve performance management.
2. Procuring the services via these suppliers keeps the costs at an equivalent level to those previously being paid via Matrix and maintains the separation of the relationship between the council and any individuals thus removing the IR35 liability. This also enables the council to pay for work based on outputs and milestones rather than days worked and by adding break clauses to the packages enables the council to terminate delivery of services without committing to further funding

BACKGROUND

Please note that a copy of the Part 1 report is available via the Decision list link on the Council's Democracy pages. As the Part 2 report contains exempt information, it will not be made available to the press or public.

SUBJECT TITLE OF THE REPORT :

HOUSING QUARTERLY ELECTRICITY CONTRACT RENEWAL – LANDLORDS’ SUPPLIES- APPROVAL OF PROCUREMENT AND AWARD CONTRACT USING LASER FRAMEWORK

| Part 1 or 2 (relevant exempt Paragraph) | Wards affected by decision | Decision taken by | Date Decision comes in to effect | Interest declared in respect of the Decision | Category of decision (i.e. Key, Non-Key, Council, Urgent) | Contact Details | Eligible for Call-in & Date to be called in by |
|---|----------------------------|------------------------------|-------------------------------------|--|---|---|--|
| Part 1 | ALL | Executive Director Resources | Thursday 21 st June 2018 | None | Key Decision: KD: 3473 | Ieman Barmaki 020 8379 5460 <i>leman.barmaki@enfield.gov.uk</i> | No (Call-In Waiver) |

AGREED that:

The Executive Director of Resources approves the award of a 12 month contract to the winning bidder, Southern Electric, Scottish and Southern Energy (SSE), for the supply of electricity to Housing sites (landlords’ supplies). The winning contract offer was secured by mini competition using LASER’s OJEU compliant FTFP contract (multiple provider) framework. The new contract will commence on 1st October 2018.

ALTERNATIVE OPTIONS CONSIDERED

1. Do nothing. The current contract will end on September 30th 2018. If a new contract isn’t secured, the supplies will be subject to ‘out of contract’ rates from October 1st 2018, which are significantly higher (>100%) than contract rates. This will cost the Council an average of an additional £166,000 per month (with the greatest weighting in the winter months) and an additional ~£2 million in one year.
2. Secure a two year FTFP contract from October 1st 2018 to September 30th 2020. This would ensure that the Housing Landlords’ electricity supplies’ contract and the Corporate/Schools’ energy contracts are co-terminous. Mini-tenders can request pricing for any contract duration, although price premiums will typically be incurred for durations of greater than three years. Leaseholder Dispensation (First-Tier Tribunal) will be required for contracts > one year, which could take up to six months to complete, require officer time from both Energy Management and Home Ownership Services and incur significant additional costs to the Council.
- 4 Transfer the larger (156) Housing landlords’ electricity supplies to the existing Two Year Rolling Corporate/Schools’ flexible contracts for the remaining two years, terminating on September 30th 2020. This would require Leaseholder Dispensation (First-Tier Tribunal), which could take up to six months to complete, require officer time from both Energy Management and Home Ownership Services and incur significant additional costs to the Council.
5. The preferred option is to tender a one year FTFP contract from October 1st 2018 in order to secure competitive contract rates in a rising market. This will also provide sufficient time to carry out a detailed options appraisal in order to determine the most appropriate

procurement strategy in future.

REASONS FOR RECOMMENDATIONS

1. Securing one year, Fixed Term Fixed Rate contracts for the Housing Landlords' electricity supplies has been a successful procurement strategy historically, particularly in relation to the unit prices achieved for the communal heating supplies and particularly for 'Restricted Hours Tariffs' (currently 6.826p/unit). Only 59 supplies in the Housing portfolio are eligible for this tariff, but they represent ~ 29% of the total contract value ~£557,000. Part of the reason for the low unit rate is because the demand for electricity for these specific supplies is outside peak times. Overall, we have secured extremely competitive rates historically; however, FTFP contracts also carry far greater risk in terms of exposure to dramatic price swings year on year, as demonstrated in this year's estimated 21.798% increase. However it is important to note that >10 % of the total increase is represented by non-controllable, non-commodity charges which would be imposed regardless of the procurement strategy. Non-commodity charges are predicted to rise considerably over the next few years.
2. In order to transfer the larger supplies (156) to the Corporate/Schools' flexible electricity contracts from October 1st 2018 – September 30th 2020, Leaseholder Dispensation (First-Tier Tribunal) would need to be sought and awarded by June 30th 2018. This process is likely to take up to six months to complete and therefore cannot be achieved in time to facilitate the transfer. It would also incur significant additional costs to the Council.
3. Following consultation with Home Ownership Services, it is recommended that a one year FTFP contract is the preferred option for 18/19, it will allow sufficient time to conduct a detailed procurement options appraisal and also provide Home Ownership Services with sufficient time to implement Leaseholder Dispensation (First-Tier Tribunal), should longer term contracts be the preferred procurement route in future. A two year contract option at this stage would require approximately six month's officer time to implement Leaseholder Dispensation, by which time the existing supplies will have been subject to 'out of contract' rates for a number of months, some of which will be during the heating season when communal heating consumption is at its highest. Any potential benefits arising from securing a two year contract are likely to be negated by costs associated with 'out of contract' rates.

BACKGROUND

Please note that a copy of the Part 1 report is available via the Decision list link on the Council's Democracy pages.