

# Procurement Board Meeting Held at 100 Embankment, Cathedral Approach, Salford, M3 7NJ

4<sup>th</sup> August 2021

Meeting commenced at 10:03am

Meeting ended at 10:43am

## Present in Person

Councillors Bill Hinds (in the chair), Tracy Kelly and Jack Youd.

## In Attendance in Person

Carol Eddleston                  Democratic Services

## In Attendance via MS Teams

Christine Flisk	Procurement Manager
Steven Fry	Assistant Director Digital & Customer Services
Chris Hesketh	Head of Financial Management
Robert Langford	Digital Data Manager
Kevin Malyon	Facilities Manager
Cliff Peacock	Corporate Risk Manager
Tracy Squirrel	Assistant Building Liaison Officer

## 1. Apologies for Absence

Apologies for absence were submitted on behalf of City Mayor Paul Dennett and Councillor John Merry.

## 2. Declarations of Interest

There were no declarations of interest.

## 3. Minutes of Proceedings

The minutes of the meeting held on 28<sup>th</sup> July 2021 were approved as a correct record.

## 4. Matters Arising

There were no matters arising.

## 5. Decision Items – Part 1 (open to the public)

### 5(a) Request for Approval to Go Out to Tender – Insurance Catastrophe Cover

Consideration was given to a report of the Strategic Director of Service Reform seeking approval to go out to tender, via a mini competition tender through the Yorkshire Purchasing Organisation Insurance Framework, for a five-year long-term insurance agreement to provide catastrophe cover for the Council's three main classes of business (property, liability and motor).

The average estimated annual value of the contract would be in the region of £1.5m.

The Corporate Risk Manager explained that there was only one bidder when the current contract was put out to tender in 2016. He believed that the tender documentation would be greatly improved, and consequently result in better informed bids, if individual service areas provided

detailed information about their insurance requirements when requested to do so. Members were concerned that service areas were not responding appropriately and that this could affect the Council's insurance premium. The Assistant Director Digital & Customer Services agreed to raise this as a priority with the Senior Leadership Team.

RESOLVED, THAT:

- 1) Approval be granted to go out to competition for a five-year long-term insurance agreement to provide catastrophe cover for the Council's three main classes of business (property, liability and motor).
- 2) Individual service areas be reminded of the need to respond appropriately when requested to provide detailed information about their insurance requirements.

### 5(b) – Request for Approval – Contract Award – Fixed Term Support and Maintenance for Hosting Services - Council Tax, Business Rates, Housing Benefits and Council Tax Reduction

Consideration was given to a report of the Strategic Director of Service Reform seeking approval to award the contract for fixed term support and maintenance for the software application that supported the administration of Council Tax, Business Rates, Housing Benefits and Council Tax Reduction, and also for the migration of hosting Revenues and Benefits.

The NEC Revenues and Benefits application had been used in the administration of Council Tax, Business Rates, Housing Benefits and Council Tax Reduction since 2005. NEC provided and supported the application programs, bespoke programs and interfaces and had full right and liberty to market and licence the program(s). All Intellectual Property rights in the application program(s), source materials and any updates remained the property of NEC, which was therefore the only supplier which could provide support and maintenance for the software. The NEC Revenues and Benefits Applications required this high level of support to achieve optimal performance to address and correct system problems before they had an impact on service availability.

Members expressed disappointment at the level of Social Value commitment over the five-year term given the total contract value but were informed that negotiations with the contractor had resulted in the original offer of 0.5% being increased to 2.5% and that any higher value commitment would probably only have been built into the contract price.

Members accepted that the contractor may not be in a position to commit to employing in Salford because of its location but it was disappointing that they were not committed to signing up to the Mayor's Charter. Officers were encouraged to follow this up with NEC.

It was noted that Procurement Board had given approval at the previous week's meeting for a contract for a lettings management and homelessness prevention & advice system and it was explained that it was intended to explore the possibility of integrating this with the NEC applications.

RESOLVED, THAT: a contract for support and maintenance of the software application supporting the administration of the Council's Council Tax, Business Rates, Housing Benefits and Council Tax Reduction services be awarded to NEC Software Solutions (formerly known as Northgate Public Services Limited) for a five year term, plus two optional extension periods of 12 months each, at an estimated average cost of £266,459.79 per annum.

## 5(c) Request for Approval – Contract Award – Civic Centre Refurbishment – Furniture

Consideration was given to a report of the Strategic Director Place seeking approval to award the contract for new furniture in the areas to be refurbished at the Civic Centre, Swinton.

The current accommodation on the civic centre campus was outdated and did not provide suitable workspaces that were in alignment with the Council's corporate strategy to enable the workforce to work smarter. Partial Refurbishment of the accommodation would support the implementation of the MyWork principles and programme.

The existing furniture had been reviewed in detail to mitigate expenditure and furniture of appropriate type, size and condition had been retained. The furniture being supplied would provide the capability to reconfigure the working spaces to a task based environment which would provide choice and variety of work settings within the civic campus. The creation of these spaces would enable and support individuals and teams to operate in a dynamic manner which followed the MyWork principles and facilitate the new operating model, hybrid or blended way of working. The workspaces created would provide areas for collaboration, team and project work, as well as individual spaces for people to work at and touchdown or quiet focus work.

Members of the board observed that the Social Value section of the report contained limited information and expressed disappointment that the proposed contractor was not an accredited living wage employer or committed to the Mayor's Employment Standards Charter. Members sought reassurance that staff would be using the Civic Centre in the future and that the expenditure would be worthwhile.

Officers explained that the recommended contractor had just provided additional information about Social Value and they would share this with members of the board after the meeting. The company had a Social Value Manager, used local suppliers wherever possible and did all it could to reduce its carbon footprint.

Members were mindful that they had robustly challenged the Social Value offer in a number of recent requests to award contracts and felt strongly that a contract relating specifically to the Civic Centre should have the City Council's social value principles at its core .

Officers were aware that, of all the suppliers on the YPO Office Furniture Solutions and Associated Services Framework, H Jenkinson & Company Ltd was the most local to Salford. The company had recently been involved in supplying furniture to other local authorities in GM and the north west. None of the suppliers on this framework were accredited to Salford's Mayor's Charter.

Members requested further information about the proposed Social Value Offer and encouraged officers to urge H Jenkinson & Company Ltd to commit to becoming an accredited living wage employer.

**RESOLVED, FOLLOWING THE RECEIPT OF SATISFACTORY REASSURANCES RECEIVED IN RELATION TO SOCIAL VALUE, THAT:** the contract for the provision of new furniture in refurbished areas of the Civic Centre Campus be awarded to H Jenkinson & Company Ltd at a full project cost of £316,000.00.