

Report of: Assistant Director (Service Finance) on behalf of the Procurement Board

Meeting of:	Date	Agenda item	Ward(s)
Policy and Performance Scrutiny Committee	2 March 2015		

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SUBJECT: Procurement Processes – Update report to the Policy and Performance Scrutiny Committee (March 2015)

1. Synopsis

- 1.1 The Policy and Performance Scrutiny Committee undertook a review of the Council’s procurement process from June 2013. The results of the scrutiny were presented to the Council’s Executive on 12 May 2014 and a subsequent response from the Executive was given at its meeting of 18 September 2014.
- 1.2 This report updates the Policy and Performance Scrutiny Committee on the Executive decisions made on 18 September 2014, the work of the Council’s procurement function and matters presented before the Council’s Procurement Board.

2. Recommendations

- 2.1 To note the actions agreed by the Executive on 18 September 2014 and the progress in implementing them.
- 2.2 To note the recent work of the Procurement Board and the other allied matters as set out in this report.

3. Background/Response to Recommendations

- 3.1 The Policy and Performance Committee Scrutiny Committee commenced a review of

procurement processes and key areas of Council spend in June from 2013. The recommendations from that scrutiny concerned procurement processes and the use of agency staff. This report concerns procurement processes only. The use of agency staff has been covered in separate reports from the Council's Human Resources division. The recommendations of the Committee were largely accepted by the Executive, in some cases with the wording or timings adjusted as appropriate.

This report is divided into two parts: Part A and Part B. Part A will set out and address each of the Actions decided upon by the Executive with a summary of the progress made on implementing them in the last six months. Part B will be the first bi-annual report from the Procurement Board to the Policy and Performance Scrutiny Committee, flowing from the Executive's decision to enable the committee to maintain an overview of the work of the Procurement Board and the Council's contract spend.

PART A: Actions agreed by the Executive and progress so far

- 3.2 **Action 1: Assist the voluntary and community sector to respond positively to opportunities to bid for Council contracts by highlighting the added economic, environmental and social benefits they deliver to the local area in accordance with the Public Services (Social Value) Act 2012. This will help the sector, which depends upon grant funding for 90% of its income, to replace some of the losses that will be caused by further government spending restrictions in 2015.**

In agreeing this Action, the Executive recognised and expressed its support for the valuable role played by the Voluntary and Community Sector in the borough. It noted that the Voluntary and Community Sector Committee of the Executive considered a report on 31 July 2014 setting out work already undertaken to implement the recommendations of the previous Community Review Committee scrutiny into supporting the voluntary and community sector through procurement.

Through its continued support for and development of the VCS Procurement Action Plan, devised with the voluntary and community sector, the Council has recently:

- Published a forward plan of procurement opportunities over the tender threshold a year in advance on the council website in October 2014;
- Used the Council's Third Sector Strategic Forum (TSSF) to encourage commissioners to plan ahead and promote procurement opportunities below the tender threshold;
- Arranged provider engagement exercises on substance misuse and market test exercises for oral health promotion to establish market capability, capacity and inform the procurement route;
- Publicised training opportunities on the website on a monthly basis on the business opportunities pages with the most recent update in December 2014;
- Challenged proposed procurements for short durations as part of good practice to ensure they allow for providers to undertake long term planning.

The Islington Voluntary Sector Compact also contains a number of commitments designed to support the voluntary and community sector in bidding for council contracts.

- 3.3 **Action 2: Evaluation criteria should, where possible, require tenderers to explain how they will improve the social, economic and environmental well-being of the Borough.**

The Executive restated its commitment to improving the economic, social and environmental well-being of the borough. Consideration of social, economic and environmental well-being forms part of the requirements of Social Value, which have now been adopted into every tender process. A recent example of use of social value criteria would be the Housing Repairs contracts that support the in-house service. These criteria required providers to respond with their:

“Proposed approach to demonstrate social value in delivery of the contract to improve the economic, social and environmental well-being considering:

- Economic considerations for example the contribution to developing skills and tackling employment and worklessness among local people, including excluded communities;
- Social considerations, for example achieving community based actions, equalities, diversity, inclusion and cohesion. Consider local relationships, partnerships and people from hard to reach groups; and
- Environmental considerations, for example the service could be delivered to reduce its environmental impact.”

Council officers have also developed mechanisms for considering social value as part of the procurement process, devised guidance to aid commissioning client officers in departments in regards to social value and introduced a social value champion onto the Council’s Procurement Board. Members of the Strategic Procurement team have also attended expert training on matters pertaining to social value.

3.4 Action 3: Undertake a radical overhaul of the current quality assurance system to ensure work carried out by contractors is to the highest standards of quality and consistency, especially in relation to housing contracts and repairs, to ensure tenants and leaseholders obtain best value for money.

The Executive noted ongoing work to improve the quality of work provided by suppliers. The newly in-sourced housing repairs service demonstrates the commitment to improving the quality of services provided to tenants and leaseholders. The new in-house service has introduced a completely new quality assurance process to ensure work is of the highest standard and value for money. Quality assurance has been raised at each Housing-orientated monthly performance panel meeting.

The Audit Committee are additionally considering the Council’s quality assurance function and the role of its clerks of works as part of its work programme. The housing repairs service has implemented a continual development process to ensure that the work in terms of quality, service and process are improving. For the first time, all work completed over £500 is post-inspected by the Council’s in-house clerk of works team with the aim to ensure the continued satisfaction of the Council’s tenants and leaseholders. An initial target of 10% of works under £500 to have post-inspection is being met, with work commenced to increase this to 50% of all orders between £199-£500 and 10% of orders under £199.

3.5 Action 4: Ensure that all contractors are complying with the requirements of the Council in relation to the payment of the London Living Wage to all staff.

The Council is committed to paying its staff and contractors the London Living Wage and its contracts overall are currently just above 98% compliant with the London Living Wage. The remaining 2% are all in residential adult social care. The Council has made significant progress in introducing London Living Wage into a number of contracts in areas which have previously been more challenging. For example: information, signposting and brokerage service for older people; housing repairs services including areas such as voids, working with asbestos, drainage, roofing, electrical etc.; accommodation based support service for people with learning disabilities in Mildmay; aids and adaptations for disabled residents including installation, repairs and servicing. Recent significant successes in introducing the London Living Wage include block arrangements for home services for older people at St Anne's nursing home in the borough and achieving London Living Wage in domiciliary care services, including ongoing activity to improve worker terms and conditions.

Processes are well established for securing the London Living Wage and feature articles have been sent to all in-house staff through the IC Bulletin. The Council has been commended for its work in the area, including in the media. Islington is now frequently being asked to support other London boroughs and local authorities nationally with their introduction of the Living Wage .

3.6 Action 5: To ensure the Strategy, Equality and Performance Unit improves the guidance within the procurement procedures relating to equalities.

The Executive noted the Council's procurement function already has well developed policies which support the Public Sector Equality Duty (PSED) to eliminate unlawful discrimination, foster good relations between persons who do and do not share a relevant protected characteristic and actively advance equality. The Procurement Strategy and Procurement Service plan emphasise the importance of equality matters, as does the Council's Standing Orders within the Constitution – the Procurement Rules. The Council is in the process of consulting on the new Procurement Strategy 2015/20, scheduled to be presented to the Executive later in the financial year, which will continue to highlight the Council's PSED duty.

The procurement cycle addresses the council's equality duty throughout the procurement process through a range of guidance, pro-forma and templates including the business case and procurement challenge process, the resident impact assessment, consultation and specification development guidance, identifying evaluation criteria at selection and award stages and assessing the criteria, and contract award and management. The Council has guidance which focusses on equality considerations as part of their core including Social Value, Fair Procurement and Equalities in Procurement Guidance.

The Executive asked the Strategy, Equality, and Performance Unit to examine all of the equalities related guidance issued by Procurement and advise on any improvements that can be made. The Assistant Chief Executive for Strategy and Partnerships has allocated the activity to senior managers in her team. Work has begun devising the programme to ensure that equalities related guidance issued by Procurement is cognisant of good practice and relevant duties. A meeting to agree the scheduling and control of the programme of work occurred on 17 December 2014. Since then, the Joint Heads of Strategy of Strategy, Equality and Performance have worked with the Head of Strategic Procurement and relevant Procurement Category Lead to help embed equalities within the procurement process. This includes improvement in the guidance for commissioners on equalities with examples and method statement guidance for tenderers to include some equality info that outline what we want them to do. The relevant documentation is additionally under review to emphasise the requirements of Social Value and, where appropriate, the new Public Contract Regulations

2015.

3.7 Action 6: The Procurement Board to explore raising the threshold in the Procurement Rules that triggers the requirement for competitive tenders from £100,000 to £172,514 (the current financial threshold requiring advertisement in Europe) and report back to the Executive, setting out the benefits and risks.

The Procurement Board have commenced work on this action and will report back to the Executive setting out the benefits and any risks arising from making the proposed change. The Procurement Board have expressed broad agreement to the review of thresholds, providing reassurance can be given in regard to achieving value for money. The Procurement Board have considerable experience across the organisation and have considered changes to the Procurement Rules previously which were enacted in the last Constitutional update (July 2014).

The Council is undertaking an End-to-End Review of supply chain management (the identification and specifying of need 'commissioning', the process for obtaining providers 'procurement' and implementing the contract 'contract management') which has additionally initially highlighted the need for a higher tender threshold. The End-to-End Review is overseen by the Procurement Board, sponsored by the Chair of the Procurement Board and project managed by the Head of Strategic Procurement. The End-to-End draft report was presented to Procurement Board on 18 December 2014. Following proper consideration, the subsequent paper was presented to the Corporate Management Board on 5 February 2015. Further reports will be presented to Members and, if agreed, Constitutional change enacted.

The Parliamentary Select Committee and Cabinet Office has heard evidence that application packs for tenders (known as Pre-Qualification Questionnaires or PQQs) should be removed from low value tender arrangements, which is in keeping with a raising of the tender threshold by the Council.

Decisions around procurement changes will also be influenced by the new Public Contract Regulations 2015, which are in their final iterations and the Head of Strategic Procurement has responded on behalf of the Council to the various consultations. The new Public Contract Regulations will include with the EU procurement reform, amendments in UK procurement law to try to make it easier for small and medium sized enterprises (SMEs) to participate in public procurement, following Lord Young's report, 'Growing Your Business' (May 2013). Changes as a result of the new Public Contracts Regulations 2015 matters will occur as part of the annual Constitutional update or at another point of the year depending upon when they come into effect.

3.8 Action 7:

- **Continue to offer six 'meet the supplier' workshops each year and continue to actively encourage local suppliers to register with the Council so that they can be personally notified of all opportunities for work.**
- **Continue to provide training workshops to local suppliers to assist them with all aspects of bidding for work for the Council.**

The Executive recognised the work undertaken over several years to help suppliers win business with Islington and the wider public sector. There have been specific 'Meet the Buyer' sessions arranged for housing contracts and design contracts.

The Council has offered a monthly Supplier Registration Day which is advertised on the Council's website, where the Strategic Procurement Team assists potential providers to register on the London Tenders Portal.

The Council has also delivered each of the following training courses for providers during the 2014/15 financial year:

- How to be successful at PQQ stage (half day) x 3 sessions
- Understanding Terms and Conditions Workshop (half day) x 3 sessions
- Effective Tender Writing Workshop (full day) x 3 sessions
- Consortia Bidding Workshop (full day) x 3 sessions
- Effective Bid Pricing Workshop (full day) x 3 sessions

The Council is committed to continue delivering opportunities for supplier registration and receive training in the new financial year. The Council has commenced work to re-commission the workshops by devising new specifications for financial year 2015/16.

3.9 **Action 8. Ensure that tight control over the use of consultants is maintained by requiring a business case for all prospective appointments.**

The Executive recognised the Council has for several years been operating a rigorous process to understand and control the use of consultants, and endorses the need for that process to continue to be adhered to across the Council.

The Procurement Rules within the Constitution set out the process for engaging an external consultant, which apply whether they are an external individual or organisation:

“Engagement of consultants requires the completion of a business case in line with the online guidelines provided by the Strategic Procurement Team. The business case should be completed by the client commissioning officer. The client commissioning officer is the person in the Council responsible for identifying and specifying the need(s) for the contract. Initial approval of the Business Case is required from the client commissioning officer's Corporate Director or Assistant Chief Executive (or their nominated representative). A panel consisting of the Strategic Procurement Team, Finance and an independent team will assess the business case. The client commissioning officer will then be informed whether or not they can procure their consultant or whether more information is needed for a decision to be reached.”

All requests to engage a consultant go through the department initially before being externally reviewed and challenged. The Head of Strategic Procurement (or his nominated representative) has and does reject a number of requests for consultants where the business case is determined to be inadequate and/or in liaison with the Head of Human Resources, direct recruitment of an employee is preferable or the more appropriate. Requests for consultants are then reviewed by Finance and an independent manager. The business case panel has, can and does reject proposals which in its professional opinion are not achieving value for money. Alternatively, the business case panel does suggest improvements to the consultancy business case in question which have included shortening commissions, amending selection and/or award criteria, including elements of social value, altering proposed specification contents, enhancing the understanding of the need and requiring improved contract monitoring.

As reported to the Executive in September 2014 by the Director of Property Services, the spend on external consultants has reduced from approximately £8m in 2010 to approximately £1m in 2013. Strategic Procurement is now working with the recently in-sourced services to ensure they fully understand the need to manage, control and minimise external consultancy spend.

PART B: Bi-annual report to the Policy and Performance Scrutiny Committee to enable that Committee to maintain an overview of the work of the Procurement Board and contract spend.

3.10 Action: The Procurement Board shall provide a bi-annual report to the Policy and Performance Scrutiny Committee for information to enable the committee to maintain an overview of the work of the Procurement Board and of contract spend.

As set out in the Council's Constitution, the Council has a Procurement Board which brings together relevant officers and the Executive Member with responsibility for procurement to oversee procurement processes and contract spend. In regards to contract spend, the Procurement Board reviewed during 2013/14 spend from 2012/13. This identified that departments were inconsistently adhering to the Procurement Rules. This left the Council exposed to legal challenge, compliance issues, concern that the Council's wider objectives may not have been being met and value for money was not always achieved. The Strategic Procurement team were tasked with continuing to review spend to present to the Procurement Board and liaising with departments to improve their compliance.

3.11 Spend Overview

During this financial year (2014/15), the Procurement Board have been reviewing spend from 2013/14. The board has had three presentations thus far: Purchase Card spend, spend with contractors receiving between £250,000-£1,000,000 in 2013/14 and providers receiving spend in excess of £1,000,000 during the 2013/14. In 2013/13 the Council has 7,000 suppliers and a total spend of £528,709,543. This was a reduction from 8,500 suppliers but an increase in spend from £511,918,319 in the previous financial year.

The spend includes all non-payroll transaction therefore also includes spend that cannot be influenced e.g. levies, transfer payments and fees the Council must pay, such as those to the Greater London Authority (GLA) and pension fund contributions. Spend also includes direct payments to residents and grants, thus is not all contractual procurement spend. The true procurement spend is in the region of about 3/5ths of the total spend.

3.12 Spend over £1,000,000

The total spend of providers who received over a £1,000,000 each was £368,418,159. This figure includes £177,924,181 of spend which cannot be influenced e.g. the levies, transfer payments and fees (as mentioned above).

Contract spend was £188,822,794 of that total. There is now no provider receiving over £1,000,000 where the contractual arrangements are not contained in a formalised agreement.

3.13 Spend between £250,000 and £1,000,000

The total spend of providers who received between £250,000 and £1,000,000 each was £76,492,460. This figure includes £5,386,099 of spend which cannot be influenced e.g. levies, transfer payments and fees (as mentioned above).

Contract spend was £68,849,926 of that total. In this spend range not all arrangements with

providers were in a formalised agreement. However, the main area of concern was temporary accommodation which is in the process of being re-procured. The balance which was not in a formalised agreement was £2,256,434, which is a combination of housing and non-housing repairs.

Work is in progress with the housing function to regularise its spend, bring it into contract and ensure value for money for our tenants and leaseholders. The balance of non-housing repairs spend shall be regularised thereafter.

3.14 Spend below £250,000

Spend between £100,000 and £250,000 was Presented at the Procurement Board in January 2015. This range included £9,083,045 of spend which cannot be influenced e.g. levies, transfer payments and fees (as mentioned above). Contract spend in this range was £28,678,412. £665,198 worth of spend in this range requires further action and work has commenced to regularise this area. The spend requiring further regularisation relates to three property-related contractors.

3.15 Purchase Cards

Purchase cards are an established essential means of spend for almost all departments, allowing significant control of receipted business expenditure (not expenses), recognised in the Council's Procurement Rules. Purchase cards provide a means of income through rebates back to the Council on an annual basis. They rarely attract a fee for use from providers and often suit smaller providers better than other means of payment. They are convenient to use and lower cost to use than invoicing, cheques and petty cash, as well as less risky than carrying cash. Purchase cards are widely accepted by retailers and allow increased telephone and internet buying, thus support e-gov initiatives.

The Council can control who can spend on Purchase cards, what they can purchase, how much they can spend in a transaction or in a month and where they can spend. We can block supplier categories e.g. 'automotive' which would present an individual purchasing a car should they have a high enough limit. Many suppliers now even have automatic VAT line item details making it easier to reclaim VAT. Meanwhile, card holders can have the ability to check their transactions daily with the bank through cards-online. The Council has instant free credit when spending money on a purchase card from the bank, assisting organisational cash flow.

Line managers check receipts on a monthly basis and budget holders remain responsible for spend made within their areas. Purchase card spend to date has been further checked by directors and authorised persons by means of a monthly report. Fraudulent activity equated to a very small amount last financial year (approximately £300) and the audit of purchase card spend in 2013/14 identified only minor areas of improvement. Strategic Procurement has reviewed purchase card expenditure and presented categorised purchase card suppliers spend to the Procurement Board. Spend on purchase cards equates to approximately 0.192% of overall Council spend and comes from existing departmental ring-fenced budgets and may facilitate use of some corporate contract arrangements.

3.16 Transparency Code for Local Government 2014

The new code requires the Council to publish all arrangements which exceed £5,000 in their aggregate whole life value and any individual invoice which exceeds £500. The Council has made a Constitutional change to now start to record arrangements over £5,000 in the corporate contracts database register. Work to prepare for the new code has been extremely labour intensive for officers, distracting officers from regular duties to analyse the 64,000 lines of data and try to seek further information never previously required to be maintained from the 7,000+ suppliers. The code also requires the publication of every purchase card transaction. The

Procurement Board has reviewed the requirements of the new code and the work necessary to meet its requirements. They have also supported communications which have come out in various forums and the need to not circumvent procurement and/or transparency requirements.

3.17 Procurement Strategy 2015/20

The Procurement Board were presented with the draft Procurement Strategy 2015/20 for initial view and consideration. The Procurement Board allocated a senior manager from each main service area to consider the contents of the Procurement Strategy in detail. An effective procurement strategy is fundamental to achieving organisational success for the Council and is instrumental in the delivery of the Council's Corporate Plan, Priorities and Objectives. The Procurement Strategy shapes the overall spend, savings, value for money, consistency/robustness of approach for external spend, encourages long term planning, contributes to the achievement of corporate objectives, promotes responsible procurement and social value, sets the approach for partners and transparency and sets out the framework in which the Council's external spend will operate. It is often considered to be as important as the organisational strategy and goals and should set the higher level objectives. The Procurement Strategy itself is always supported with operational target and goals by with Service Plans to ensure it is delivered.

Islington has been noted in the draft End-to-End report for having a Procurement Strategy which "is aligned with Council policy and supports the National Procurement Strategy." The report notes the draft as being an area of best practice. The officer level review by senior managers has now been concluded and the draft strategy is planned to be considered by the Executive. The Procurement Strategy will be adopted in early 2015 and run from 2015 to 2020.

3.18 Legal and policy changes

The Procurement Board considered the changes to Blacklisting requirements at an operational level. This included a summary of advice from external counsel, considering issues in respect of groups of companies and at which stages of the procurement process Blacklisting may be considered. This helped with the implementation of the policy by officers.

Policy changes that have been made include revising documents to ensure that there is greater clarity in the information presented to the Executive in procurement strategy reports. The Procurement Board has challenged commissioners to improve or expand information in respect of pre-tender considerations and make improvements to business cases and breakdowns of need. There has also been involvement in social value reviews from the Business, Employment, Skills and Training team representative on the Board reflecting a desire to improve approaches and challenges in achieving best value in considering Social Value.

There has been documentation prepared on the role and the function of Procurement Board and this went out to Corporate Directors from the Executive Member to emphasise the role of the Board in improving efficiency, policies and in setting priorities. In addition to this there has been work on procuring the End-to-End review of commissioning, procurement and contract management and considering how the outcomes of the review would be implemented in practice.

The Procurement Board oversee the required work of the Council in regards to the Community Right to Challenge. The Council has a set window for consideration of applications under Community Right to Challenge which runs from 1 September to 31 October each year. No challenges were received within the window.

3.19 Procurement Challenges

The Procurement Board has a clear Constitutional responsibility to “challenge the approach and strategy of commissioning officers across the Council for the purposes of improving efficiency”. The process of reviewing and challenging a commission to be procured is very time consuming and needs a very significant amount of input to effectively consider the decision, identify improvements and give reassurance that value for money will be achieved. There is a considerable level of reading and investigation to successfully challenge for each service reviewed.

The Procurement Board has considered 19 challenges in the last six months for Key Decision value contracts. The investment of time and the skill mix of the Board is an exemplifier of best practice and time-investment for the Council. The Procurement Board has challenged planned commissioning approaches for example:

- CCTV - collaboration externally with other boroughs, value, London Living Wage, trainees and apprenticeships, award criteria, cost analysis, response times, cross-borough surveillance, liaison with partners such as TfL, collaboration internally with leisure and equipment lifespan. This resulted in several specification amendments and amended award criteria.
- Occupational Health - the value, inconsistency in approach, working with schools, service department satisfaction, interdependency with other council measures, when the service should be applied, internal services delivering the function and low levels of environmental impact. This resulted in the use of broader social value criteria and a greater focus on mental health.
- Pay by Phone – working with other boroughs, convenience of the service, technological changes, clarity on quality breakdown, the digital divide within the borough, concession arrangements, funding models to deliver, scrutiny proposed, London Living Wage and the numbers to be employed. This resulted in clearer criteria and a reviewed model flexible for changing demands.
- Universal Child Health Service including the Health Visiting Service and School Nursing – the risks of extending the current service to procure a better offering, the link with schools and end service users, the competition in the market place and preparing providers to bid, costs saving which may be achieved and pathways to quality and efficiency in clinical care, social value achievements working with the hospitals and local employment. This led to the Council deciding to accept the risks around extensions, linking like services together, having a greater interface with partners and addressing social provision in the services delivered.
- Sexual and Reproductive Health (SRH) and Genitourinary Medicine (GUM) – devising a strategy for pulling together London boroughs to work in collaboration, remodelling of staffing to allow for reduced clinical staff to save money, delivery within timescales, rolling contracts, the financial and operational issues of inherited services, dispersing gang violence and improved co-ordination. This has led to Islington leading a cross borough collaboration of nineteen boroughs with service users at the forefront of service design, whilst having cost controls measures in place.
- Temporary Accommodation and Non-Recourse to Public Funds Accommodation – explored changing demands, supply shortfalls, open markets, LHA caps, times service users are in temporary accommodation, measures to reduce costs, aspirations for housing people in borough, cost/quality rations, benefits caps, impact assessments on service users, long term sustainability. This resulted in clearer and greater emphasis on minimum standard on temporary accommodation, a greater emphasis on price at those standards and continued expansion of sharing information with other boroughs for service improvements.
- Substance Misuse Services – clarity on complex needs and clinical models of delivery, market testing, too complex criteria making it harder for bidders, engagement with

partners such as GPs, property issues and risks and shared objectives. This has resulted in considering more innovative ways to enact the procurement such as Competitive Dialogue, simplified criteria and a more scheduled approach to the procurement programme.

- Extra Care – reviewed approaches to long-term services planning, quality of sheltered accommodation, demographic shifts and waiting lists, the need to market test and allow for individual tenancies, securing supply, statutory requirements and differing approaches across London. This had led to a long-term agreement being proposed, an understanding of the importance of early market engagement, including elements around statutory changes and proposals to secure provision for Islington residents with flexibility within the units.
- Domestic boiler installations and responsive repairs – challenged the number of providers, the staffing implications, bringing more of the service in-house, volume of work, long term strategy and collaboration, cost: quality ratio, use of apprentices, management of the contract and work allocation. The result of this action was that there would be more providers in the new strategy, closer monitoring of performance and how work is awarded and increased apprentice requirements.
- Mental health crisis prevention service – explored reducing from a gold-plated service, the removal of poorly used elements of the service to save money, extending hours of the successful elements of the service, London Living Wage, contract duration, assessment of service users, use of different premises and integrated approaches to mental health pathways. The result was a need to review the approach, increased discussions with existing providers and consideration of how you can ensure qualitative fundamentals are delivered to service users.
- Supported accommodation – challenged the mixed use of ownership of accommodation, the levels of service provision, the lot design, the risks of de-registering facilities, move-on arrangements for service users and limited markets. The result of the challenge process was to consider accommodation use across all service facilities, factoring in the need for potential property acquisition and broad agreement for the procurement strategy and not providing uplifts for the service.
- Child healthy lifestyles – challenged the commissioner in terms of the concept of obesity, joint arrangements with other boroughs, the trends, impact on service users from obesity, the location of the service provision, the budget allocated, making the service attractive for service users and the market. The challenge resulted in payment by results being included within the specification, defined measures of success, greater links of diet and exercise, a stressing of the need to deliver in both boroughs jointly commissioning the services and clear relationships with partners such as GPs.
- Oral health promotion – reviewed the links between poverty, ill health and inequality; the long term associated conditions such as mental health matters, the effect on quality of life, commitment to savings and market size/nature. The challenge process more clearly defined how the savings would be realised, how best use could be made of the market available and the links between Camden and Islington in service and design.

4. Implications

4.1 Financial implications:

This is an information report only on work undertaken and thus has no additional financial implications.

4.2 Legal Implications:

This is an information report only on work undertaken and thus has no specific legal implications.

4.3 Environmental Implications

This is an information report only on work undertaken and thus has no additional environmental implications.

4.4 Resident Impact Assessment (incorporating the Equalities Impact Assessment):

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

Neither the initial screening for a Resident Impact Assessment (RIA) nor a full RIA has been completed, as this is an information report only on work undertaken and thus has no additional resident and/or equalities implications.

5. Conclusion and reasons for recommendations

- 5.1 This report updates the Policy and Performance Scrutiny Committee on the work undertaken by officers and the Executive response to the review of procurement processes and key areas of Council spend.

Appendices

- None.

Background papers:

- None

Final report clearance:

Signed by:

Director, Service Finance

Date

Received by:

Head of Democratic Services

Date

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