

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – 10 DECEMBER 2013

Title of report	INTRODUCTION OF MOBILE WORKING WITHIN THE HOUSING SERVICE
Key Decision	a) Financial Yes b) Community Yes
Contacts	Councillor Roger Bayliss 01530 411055 roger.bayliss@nwleicestershire.gov.uk Director of Services 01530 454555 steve.bambrick@nwleicestershire.gov.uk Head of Housing 01530 454780 chris.lambert@nwleicestershire.gov.uk
Purpose of report	To ask Cabinet to waive Contract Procedure Rule 5 and delegate authority for the award of contract to the Director of Services.
Reason for Decision	To ensure the Mobile Working Programme is delivered in an effective and efficient manner.
Council Priorities	Value for Money Homes and Communities Green Footprints Challenge
Implications:	
Financial/Staff	Financial implications can be met within existing budgets. There is no impact on staffing
Link to relevant CAT	Improving Customer Experience
Risk Management	The report addresses the proper procurement of a contract to provide a scheduling system for the Repairs Management Team. Without such a system the Council's spend on third party repairs contracts will continue to grow and the reduction in repairs costs as a result of the Decent Homes Investment Program will not be fully realised.
Equalities Impact Assessment	Not applicable
Human Rights	No human rights implications are apparent.

Transformational Government	This relates to the new ways in which councils are being asked to deliver their services. The approach to tendering for this service represents procurement best practice and will deliver optimum value for money.
Comments of Head of Paid Service	The report is satisfactory.
Comments of Section 151 Officer	The report is satisfactory.
Comments of Monitoring Officer	The report is satisfactory.
Consultees	Procurement Team, Legal Services, Housing Team
Background papers	None.
Recommendations	<p>THAT CABINET:</p> <p>(1) WAIVES CONTRACT PROCEDURE RULE 5 FOR THE PURPOSES OF THIS PROCUREMENT; AND</p> <p>(2) DELEGATES THE AWARD OF THE CONTRACT FOR MOBILE WORKING TO THE DIRECTOR OF SERVICES IN CONSULTATION WITH THE PORTFOLIO HOLDER</p>

1.0 BACKGROUND.

- 1.1 Optimised or dynamic scheduling is being increasingly utilised by local authorities and housing associations operating in-house repairs teams. Currently we use paper job tickets which are collected and returned on a weekly basis severely restricting our ability to deliver an efficient service for our customers.
- 1.2 Designed to deliver efficiencies within the scheduling of appointments, it also reduces non productive time by minimising the time and cost repairs officers spend travelling between appointments as well as simplifying the ordering of parts.
- 1.3 In turn this delivers a much improved service to customers as well as vastly improved management information.
- 1.4 The resulting efficiency savings will reduce the additional costs incurred using Lakers who are a third party external repairs contractor used by the Council as additional resource to help deliver the right service to our customers as well as specialised jobs such as asbestos removal and drainage works.
- 1.5 Although Housing will initially benefit from mobile working it is expected that this will expedite mobile working technology within other functions and services offered by the Council and in support of ICE (Improving Customer Experience) work stream.

2.0 PROCUREMENT APPROACH

- 2.1 At the beginning of 2013 a Prior Information Notice was placed in the Official Journal of the European Union, following which the Council received 15 expressions of interest. Based on Council requirements and needs, of these 15, two contractors were identified as being able to provide an appropriate solution. Capita, who operate our Housing Management System OPENHousing, working in partnership with Totalmobile Xmbrace DRS and Oneserve Ltd.
- 2.2 In consultation with members of the Council's Legal, Procurement as well as Repairs, Housing and Investment Teams it has been concluded that the most effective course of action to ensure that we get the best solution to fit the Housing Team's requirements is to utilise the Government Procurement Service (GPS) 'Spot Buy Service'. This will provide a 'professionally managed procurement service' to identify suppliers on an open market basis.
- 2.3 By utilising this service it will ensure that the procurement process is as efficient as possible, will ensure suppliers have an equal opportunity to tender and will release time of Council Officers to focus on other priorities.

3.0 VALUE FOR MONEY ASSESSMENT

- 3.1 The pre market engagement provided some indicative costs. The competitive process undertaken by the tender process should ensure our requirements are met and we obtain best price.
- 3.2 Demonstrations by two initially shortlisted suppliers have been delivered to the project team officers from Repairs, HRA Business Support and Customer Services. This has enabled the project team to establish the best solution for the Council and facilitated the development of the specification for the GPS Spot Buy Service.

4.0 RESOURCE COMMITMENTS

- 4.1 It is estimated that the set-up costs including annual licence fees over four years will be in the region of £165,000. Accordingly a full tender should be carried out under the Council's Contract Procedure Rule 5.16.
- 4.2 Given the limited response to the Prior Information Notice from suppliers offering a suitable product and in order that the procurement of this contract can be delivered as soon as possible, Cabinet are asked to waive Contract Procedure Rule 5.
- 4.3 The use of the GPS Spot Buy Service ensures that an established and professional procurement route is adopted to select the best price and quality achievable within budget for the Council, which will include all suppliers on the open market.
- 4.4 Procurement and delivery will be managed and supported by the HRA Business Support Team.

5.0 FINANCIAL IMPLICATIONS

- 5.1 Indicative prices from the two suppliers above indicate that set-up costs might exceed £100,000 in addition there will also be annual licence costs.
- 5.2 Sufficient funding is available in the 2013/14 Revenue Earmarked Reserves and 2013/14 HRA Capital Programme.

5.3 For using the Spot Buy Service there will be a charge equal to 1% of the value of the contract put in place, which will be in the region of £1,650, subject to the final prices submitted.

5.4 The savings from introducing mobile working would come by way of increasing the number of jobs completed by our in-house repairs team therefore reducing the number of repairs appointments we allocate to and pay Lakers for. Based on each of the Council's repairs operatives completing one additional job per week, the saving with Lakers will be at least £298,000 during the life of the contract (4 years).

6.0 CONCLUSION

6.1 In order for the budgeted savings from implementing mobile working to be delivered during 2014/15 it is important that the contract is awarded and implementation commences as soon as possible. In order to facilitate this Cabinet are requested to waive the relevant provisions of the Contract Procedure rules and delegate authority for award of the contract to the Director of Services in consultation with the Portfolio Holder.