

NOTICE OF MEETING

CABINET MEMBER SIGNING

**Wednesday, 26th July, 2023, 3.00 pm - Podium, River Park House,
225 High Road, Wood Green, N22 8HQ (watch the live meeting [here](#))**

Councillors: Dana Carlin

Quorum: 1

1. FILMING AT MEETINGS

Please note that this meeting may be filmed or recorded by the Council for live or subsequent broadcast via the Council's internet site or by anyone attending the meeting using any communication method. Although we ask members of the public recording, filming or reporting on the meeting not to include the public seating areas, members of the public attending the meeting should be aware that we cannot guarantee that they will not be filmed or recorded by others attending the meeting. Members of the public participating in the meeting (e.g. making deputations, asking questions, making oral protests) should be aware that they are likely to be filmed, recorded or reported on. By entering the meeting room and using the public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings.

The chair of the meeting has the discretion to terminate or suspend filming or recording, if in his or her opinion continuation of the filming, recording or reporting would disrupt or prejudice the proceedings, infringe the rights of any individual or may lead to the breach of a legal obligation by the Council.

2. APOLOGIES FOR ABSENCE

3. URGENT BUSINESS

The Chair will consider the admission of any late items of Urgent Business. (Late items of Urgent Business will be considered under the agenda item where they appear. New items of Urgent Business will be dealt with under agenda item 7).

4. DECLARATIONS OF INTEREST

A member with a disclosable pecuniary interest or a prejudicial interest in a matter who attends a meeting of the authority at which the matter is considered:

(i) must disclose the interest at the start of the meeting or when the interest becomes apparent, and

(ii) may not participate in any discussion or vote on the matter and must withdraw from the meeting room.

A member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Register of Members' Interests or the subject of a pending notification must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal interests and prejudicial interests are defined at Paragraphs 5-7 and Appendix A of the Members' Code of Conduct

5. DEPUTATIONS / PETITIONS / PRESENTATIONS / QUESTIONS

To consider any requests received in accordance with Part 4, Section B, paragraph 29 of the Council's constitution.

6. AWARD OF CONTRACT FOR THE PROVISION OF A CORPORATE E-PROCUREMENT SOLUTION (PAGES 1 - 6)

7. NEW ITEMS OF URGENT BUSINESS

8. EXCLUSION OF THE PRESS AND PUBLIC

Item 9 is likely to be subject to a motion to exclude the press and public from the meeting as they contain exempt information as defined in Section 100a of the Local Government Act 1972 (as amended by Section 12A of the Local Government Act 1985); paragraph 3, information relating to the financial or business affairs of any particular person (including the authority holding that information).

9. EXEMPT - AWARD OF CONTRACT FOR THE PROVISION OF A CORPORATE E-PROCUREMENT SOLUTION (PAGES 7 - 12)

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Tuesday, 18 July 2023

Since 2020, Cabinet Member Signings have been held in accordance with the 2012

Regulations (SI 2012/2089) and the Council's constitution. Going forward, Cabinet Member Signings will be held as meetings in accordance with Article 12.05.

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Report for: Cabinet Member Signing

Title: Award of contract for the provision of a Corporate E-Procurement Solution

Report authorised by: Jess Crowe, Director for Customers, Transformation & Resources

Lead Officer: Matthew White, Interim Head of Portfolio, Digital and Change

Ward(s) affected: N/A

**Report for Key/
Non-Key Decision:** Key decision.

1. Describe the issue under consideration

- 1.1 This report seeks approval from the Cabinet Member for Finance and Local Investment to award a contract for the provision of a Procurement and Contract Management (also known as 'e-procurement') solution in accordance with Contract Standing Order (CSO) 9.01.2 b) (Restricted Tender process) and CSO 9.07.1(e) (Award of contracts above £500,000) and CSO16.02 (the Leader may allocate decisions to the Cabinet Member having the relevant portfolio responsibility).
- 1.2 The Council currently uses several platforms, Adam Dynamic Purchasing System (DPS), Haringey Procurement and Contract System (HPCS), OpenText, SAP Supplier Relationship Management (SRM) and SAP Vendor Invoice Management (VIM), to manage its e-procurement activities, handling over £550 million of transactions and about 90,000 payments. Of these, the contracts for HPCS platform (including contract management) and Adam DPS will expire in 2024 and both systems will need replacing.
- 1.3 The contract end dates for these systems vary across 2023-24 and cannot be extended further. Moreover, there are outstanding audit recommendations that the current solutions cannot provide for.
- 1.4 The contract is for an initial period of 5 years with an option to extend for a further 2 years. The estimated contract value inclusive of the extension period is stated in paragraph 3.1 of this report and the anticipated start date will be 01/10/2023 and the end date (if extending) will be 30/09/2030.

2. Cabinet Member Introduction

- 2.1 Haringey Council commenced an "Enterprise Resource Planning" (ERP) Improvement Programme in 2020 which includes the improvement of procurement technologies to support staff to undertake compliant and effective procurement and contract management and enable simpler and more rapid supplier management and payment processes. The programme will deliver a solution that fulfils the recommendations of audits undertaken and provides an integrated solution which includes replacement of the current supplier invoice

handling technology and contract management. These collective changes are referred to as 'e-procurement' to reflect the pathway from purchases of works, goods, and services from suppliers, to pay (paying those suppliers efficiently) within a single compliant platform. The Council is looking to make its procurement activities compliant and streamlined, through the provision of a well-used, well-regarded off-the-shelf e-procurement platform.

- 2.2 The new platform will provide internal users across the Council with a platform to securely undertake compliant procurement and contract management processes, especially rapid, low-value procurements, and effective contract management, both of which are highlighted repeatedly as issues for staff. It will provide a single platform from an off-the-shelf supplier and will be fully compliant with the Council's standard operating procedures, policies, and statutory obligations, also allowing adoption of standard system processes to provide greater efficiency.
- 2.3 The new platform will deliver significant strategic, service quality and non-financial benefits to the Council and suppliers, including:
- Supporting supplier management, spend management, procurement, and contract management controls as a theme across the Council
 - Enabling supplier invoice handling to operate with a high degree of automation
 - Providing a simple, intuitive system which becomes the desired location for all Council procurement and contract management activity
 - Improving the overall experience of procurement and contract management at the Council for suppliers and staff
 - Generating comprehensive reports and management information to feed service Key Performance Indicators (KPIs) that allow rapid interventions and course correction
 - Generating management information that gives compliance actionable insight to assure the Council of operational compliance, and
 - Integrating into our SAP platform for payments management.

3. Recommendation

- 3.1 That the Cabinet Member for Finance and Local Investment approves, in accordance with Contract Standing Order (CSO's) 9.01.2b, 9.07.1e and 16.02, the award of a contract for the supply and support of an e-Procurement solution to Supplier C for an initial 5-year period at an estimated value of £1,974,833 with an option of a two-year extension at a further estimated value of £884,556 for a maximum estimated contract value of £2,859,389.

4. Reasons for decision

- 4.1 The current contract for the Haringey Procurement and Contract System (HPCS) platform expires on 11 June 2024 and the Adam DPS platform expires on 28 November 2024, with no further options to extend.

- 4.2. The new e-procurement platform directly supports activities that will contribute to more effective, more compliant procurement and, as a result, greater value for money for the Council and residents of the borough.
- 4.3. This approach supports our Digital Strategy to adopt best in class existing processes and simplify internal processes and practices to meet industry proven standards rather than a more bespoke 'adapt' approach, which was agreed to be more expensive, more time-consuming, and more costly, over the long-term, to sustain and maintain.
- 4.4 The new platform will also deliver the recommendations of the internal audit report which include:
- Establishing a consolidated contracts register
 - Enforcing use of a corporate sourcing solution for all procurements
 - Ensuring supplier credit checks are completed where required prior to award of contract
 - Keeping an audit trail of activity related to procurements
 - Compliance with the requirement to publish all awards over £25K.
- 4.5 This award of contract will deliver:
- Compliant procurement and contract management processes across the Council
 - A single platform for purchasing
 - Enhanced supplier relationship functions
 - Comprehensive reporting to allow the Council to see progress against the Council's strategic goals for its procurement activities and inform commercial decisions
 - The capacity to meet future changes to legislation impacting procurement.

5. Alternative options considered

- 5.1 Do nothing - This is not an option. The Council requires a suitable solution to manage its sourcing, payment, and contract management activities and without procuring a new solution as the existing contracts expire, suitable solutions would not be available to support the efficient and compliant running of the Council.
- 5.2. Renew existing contract(s) - This is not an option as the Council is unable to extend the existing contracts any further. The current solutions do not align with best practice or meet all the recommendations of the audit reports to the Commercial Board.

6. Background information

- 6.1 The Council commissioned a Procurement Technology Options review, in January 2020, that recommended that, through investing in the right procurement technology solution, the Council would address many of the challenges present in its current systems. The introduction of contract management and reporting solutions would improve spend visibility, minimise

maverick spending and allow the Council to take on wider strategic procurement initiatives. Furthermore, existing contracts are expiring and are unable to be extended.

- 6.2 A new platform was required to allow all statutory procurement, contract management and payment activities to be available to budget holders in a single platform. Furthermore, the recommended platform will provide reporting that allows the Council’s services generally and the Audit and Compliance Service, to see tactical data and make decisions based on that reporting.
- 6.3 The most appropriate procurement route for this opportunity identified was the Restricted Tender approach. This is a two-stage process as defined under the Public Contract Regulations. Stage 1 was a shortlisting process where five suppliers were invited to bid, which resulted in four compliant suppliers’ responses going through to Stage 2, the Invitation to Tender stage. The final scores for Price and Quality of each Supplier that submitted a bid, as identified in paragraph 4 of the Part B report, are as follows:

Supplier	Price	Quality	Final Score	Rank
Supplier A	24	19	43	4 th
Supplier B	49	30	79	3 rd
Supplier C	47	44	91	1 st
Supplier D	50	31	81	2 nd

Conclusion of Procurement Process

The comprehensive evaluation process concluded that Supplier C was ranked first and able to meet all the Council’s requirements for the E-procurement Solution.

7. Contribution to strategic outcomes

- 7.1 The outcome of this procurement process will provide the Council with a procurement platform that operates across the Council.
- 7.2 The first ranked supplier will offer a cost-effective procurement solution for the Council, supporting a greater degree of service capability and responsibility and reflecting the principle of moving away from working in silos, with poor working practices and little/poor reporting data, to more joined up ways of working across the Council.
- 7.3 The new e-procurement solution will contribute and be integral to the Corporate Delivery Plan in the following way:

Theme 1 – Resident experience, participation, and collaboration

Positive Resident Experience: All residents, businesses and other stakeholders can easily access services which are designed and operated in a resident-centric way. Co-production puts resident voice and experience at the heart of everything we do. Positive

interactions with the council will support better relationships with the community, increasing mutual trust and confidence.

- By further automating and improving the efficiency of our end-to-end procurement activities, we will help the council make better use of resources and greater value from procurement expenditure, as well as providing an enhanced supplier experience.

8. Statutory Officers comments (Director of Finance (Procurement), Head of Legal and Governance, Equalities)

Finance

The cost of this contract award comprises a combination of one-off implementation costs and ongoing licence and support costs. These can be managed within existing capital and revenue budget envelopes. More detailed financial information is provided in Part B of this report.

Strategic Procurement

Strategic Procurement notes the content of this report and confirms the Restricted Procurement process was undertaken in accordance with CSO 9.01.2 b) and Public Contract Regulation 28 (Restricted Process).

Strategic Procurement (SP) was responsible for leading the procurement process for this opportunity and recommended the Restricted Tender Process to be used, which was agreed by all stakeholders.

Strategic Procurement confirms the recommendations stated in paragraph 3 above are in accordance with Contract Standing Order (CSO) (9.01.2 b) (Restricted Tender process) and CSO 9.07.1(e) (Award of contracts above £500,000 to be awarded by Cabinet) and CSO16.02 (the Leader may allocate decisions to the Cabinet Member having the relevant portfolio responsibility).

Head of Legal & Governance

This report is recommending the award of a contract to the preferred supplier selected through a restricted tender procurement process. Legal Services has been consulted in the preparation of this report.

Strategic Procurement has been advised all through the procurement primarily by an external law firm and, having considered the advice so received, has reported above that the tender process has been carried out in accordance with applicable Contract Standing Orders and Public Contract Regulations.

Under CSO 9.07.01(d), the award of a contract valued at £500,000 or over must ordinarily be approved at Cabinet though under CSO 16.02 a Cabinet Member to whom the decision to make an award has been allocated by the Leader may award the contract in lieu of Cabinet.

The proposed decision to award the contract is a Key Decision and, under CSO 9.07.1e), must have been published in the Forward Plan, which has been done.

The Head of Legal and Governance is not aware of any legal reasons preventing approval of the recommendations in paragraph 3 of this report.

Equalities

The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advance equality of opportunity between people who share protected characteristics and people who do not
- Foster good relations between people who share those characteristics and people who do not.

The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty. Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socio-economic status as a local protected characteristic.

In developing this programme due regard has been given to providing staff opportunities to work collaboratively with their colleagues regardless of whether they have protected characteristics. This enables the diversity of our workforce to be a source of ongoing strength, and to better reflect the population we serve.

The platform is procured with accessibility in mind where we have required “AA” compliance.

9. Use of Appendices

Exempt report

10. Local Government (Access to Information) Act 1985

This report contains exempt and non-exempt information. The exempt information is contained in the Part B Exempt Report and is not for publication. The information is exempt under amended schedule 12A of the Local Government Act 1972, category 3: Information relating to the financial or business affairs of any particular person (including the authority holding that information).

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is exempt

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