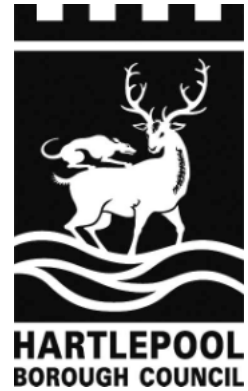


AUDIT SUB-COMMITTEE AGENDA



17 December 2012

at 3.00 pm

in Committee Room C, Civic Centre, Hartlepool

MEMBERS: AUDIT SUB-COMMITTEE:

Councillors Ainslie, Dawkins and Shields

1. **APOLOGIES FOR ABSENCE**
2. **TO RECEIVE ANY DECLARATIONS OF INTEREST BY MEMBERS**
3. **MINUTES**
 - 3.1 To confirm the minutes of the meeting held on 5 November 2012
4. **ITEMS FOR INFORMATION**
 - 4.1 Future Solutions Project – *Assistant Director (Regeneration and Planning)*
5. **ANY OTHER ITEMS WHICH THE CHAIRMAN CONSIDERS ARE URGENT**



AUDIT SUB-COMMITTEE

17th December 2012



Report of: Assistant Director (Regeneration and Planning)

Subject: FURNITURE SOLUTIONS PROJECT

1. PURPOSE OF REPORT

1.1 To outline to members of the Audit Sub Committee the process undertaken to procure the Furniture Solutions Project, in anticipation of presenting the bid submission(s) to the Committee, at the meeting, from the organisations interested in the delivery of the scheme.

2. BACKGROUND

2.1 As part of the Scrutiny Co-ordinating Committee's investigation into Child Poverty and Financial Inclusion, reference was made in the concluding report (April 2010) to the potential benefits of a scheme, which facilitates the provision of affordable household items, both new and second hand, to families, particularly those in receipt of benefits.

2.2 A report was presented to the Scrutiny Co-ordinating Committee in April 2011. This provided information on the substantial amount of research that has been undertaken on existing schemes, and outlined the options for, and feasibility of, the introduction of a scheme for the provision of essential household items in Hartlepool, for which the Council could provide seed funding to kick start a new venture.

2.3 At the meeting in April 2011, the Committee recommended that an outline Business Case be brought back to a future meeting of the Scrutiny Co-ordinating Committee in relation to the development of a scheme, with a community/voluntary sector organisation and partners.

2.4 Subsequently, the details of the proposal for a Furniture Solutions Project were considered by the Scrutiny Co-ordinating Committee in August 2011. At the meeting members requested that a further report be brought back to the Scrutiny Co-ordinating Committee following consideration of the proposed scheme by Cabinet.

2.5 A comprehensive report was then presented for consideration by Cabinet members in October 2011. At this meeting, Cabinet members agreed that

the commencement of the scheme could not be supported and that the £50,000 contribution to kick start the scheme should be part of the budget consultation process. At the same time, Cabinet also requested that opportunities to link to other organisations already delivering this type of scheme should be explored further. As a result of previous Cabinet deliberations, the focus of the initial project proposal has been revisited, although the principles of the project remain the same.

- 2.6 Following the budget consultation process the funding of £50,000 was approved by full Council in February 2012, as part of the Medium Term Financial Strategy (MTFS) 2012/13 to 2014/15.
- 2.7 A report was taken to Cabinet in July 2012 to outline the revised proposal for the delivery of a Furniture Solutions Project, and seek Cabinet approval to progress with this preferred option in terms of the delivery model. At the meeting, Cabinet requested an additional report at the next meeting to include further information on the current level of similar service provision within the town, along with details of how this service should link into the Social Fund.
- 2.8 A report providing an overview of existing similar service provision in the town was presented to Cabinet in August 2012. This also identified links to the Social Fund to demonstrate how both schemes are complementary to one another and duplication is avoided. At this meeting Cabinet noted the information provided and approved the proposal.

3. OUTLINE PROJECT PROPOSAL

- 3.1 The Council is looking for a community / voluntary sector organisation to operate the scheme. The scheme will, as a minimum, have two key strands:
- 3.2 **(i) Provide credit at reasonable rates of interest to buy household items.**
- 3.3 The provider issuing low cost personal loans for the purpose of meeting the cost of new or re-used white goods, furniture and furnishings will need to administer the finance in compliance with current regulatory requirements. The provider will be responsible for assessing the financial capability of each customer to determine an appropriate level of finance; to ensure a customer is not offered a loan they are unable to repay. It is anticipated that any payments from the provider will be transferred direct to the chosen furniture provider(s) so that the customer would not be involved in handling the finance themselves; eliminating the risk of the funds being used to purchase / pay for goods and services not covered in the agreement or in the spirit of the overall scheme.

3.4 **(ii) Offer new and good quality re-used essential white goods, furniture and furnishings at affordable prices.**

3.5 The provider will be required to arrange the supply and delivery of the white goods, furniture and furnishings, whether new or re-used, to various addresses in Hartlepool (this should include the assembly of flat pack furniture, fitting of carpet / vinyl flooring and installation of white goods). This needs to be an efficient and flexible service, tailored to meet individual requirements with the appropriate quality control measures in place. The choice and selection of new and re-used household items should be comprehensive, attractive, durable and economically priced to provide good value for money.

4.0 PROCUREMENT PROCESS

4.1 The projected value of this project is under the threshold for tendering services. The Council is, therefore, seeking written proposals from interested parties, via the Quick Quotes system of the NEPO (North East Procurement Organisation) portal, in compliance with the Council's Contract Procedure Rules. The process is outlined in paragraphs 4.2 to 4.10.

4.2 An advert was placed in the first HVDA newsletter following the Cabinet meeting; circulated w/c 17th September 2012, to inform community/voluntary sector organisations of the forthcoming opportunity, and outline the associated procurement process.

4.3 On 26th September 2012, a public notice was published in the Hartlepool Mail formally requesting expressions of Initial Interest (EOI) in the project delivery by Wednesday 10th October 2012.

4.4 Follow up press releases to advertise the opportunity were in the Hartlepool Mail and the Northern Echo between 01st October and 05th October 2012.

4.5 A training session was organised by Skillshare for community/voluntary organisations on 17th October 2012, which covered how to register and use the NEPO portal. Organisations expressing an interest were encouraged to attend to ensure the use of the portal in the procurement of the scheme was not a barrier in terms of submitting a proposal.

4.6 Organisations who registered their interest (11 received in total) were invited to submit their proposal via the NEPO portal. The initial deadline for the submission of the proposal was 30th November 2012 however this has been extended until 10th December 2012. The timescales for the procurement period were set in line with the eight week statutory consultation period of the Hartlepool Voluntary and Community Sector Strategy (encompassing the former Consultation and Policy Code outlined in the Compact), and to support the delivery of the strategy's objectives, particularly in relation to commissioning and procurement.

- 4.7 The submissions will be evaluated w/c 10th December 2012 and findings presented to the Audit Sub-Committee on 17th December 2012 for consideration.
- 4.8 Providing there is a submission that meets the service requirements, the Council will be in a position to award the contract to the successful organisation after the committee meeting (subject to pre-contractual checks).
- 4.9 The aim is to commence the scheme in January 2013 (the exact date is to be agreed with the chosen provider).
- 4.10 A report is scheduled to go to Cabinet on 07th January 2013 to feedback the outcome to the procurement process.

5. RECOMMENDATIONS

- 5.1 The Committee is requested to note the background to the project, and the procurement process that has been undertaken. The Committee is also asked to formally receive and record the submission(s) presented at the meeting.

6. BACKGROUND PAPERS

- 6.1 The following papers will provide further details in relation to the background to the project and the decision making process:
- (i) Reports and Minutes from the Scrutiny Co-ordinating Committee meetings (23 July and 15 October 2010, 07 April and 19 August 2011);
 - (ii) Initial Furniture Solutions Project Business Case;
 - (iii) Report of the Scrutiny Co-ordinating Committee entitled 'Interim Report - Child Poverty and Financial Inclusion in Hartlepool' (presented to Cabinet on 07 June 2010);
 - (iv) Cabinet Report and Decision Record (10 October 2012);
 - (v) Cabinet Report and Decision Record (09 July 2012).

7. CONTACT OFFICER

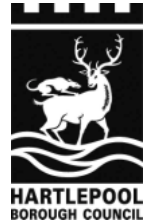
- 7.1 Damien Wilson
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AUDIT SUB-COMMITTEE

17th December 2012



Report of: Assistant Director (Resources)

Subject: TENDER RECORD AND FORWARD ON PROGRAMME

A TENDERS OPENED

1. SALE OF WARD JACKSON PARK LODGE – CRN 644

1.1 ATTENDEES AT TENDER OPENING

Date: 30th November 2012

Location: Bryan Hanson House

Attendees: Councillor Ainslie
Philip Timmins, Principal Estates Surveyor
Ursula Larkin, Category Manager

1.2 TENDER BACKGROUND

- 1.2.1 The former park keeper's lodge situated in Ward Jackson Park has been offered to the market for use as a private dwelling.
- 1.2.2 The building is Grade II listed, is in the Park Conservation Area and has a Gross Internal Area of approximately 110.29 square metres.
- 1.2.3 The lodge is being offered freehold with vacant possession but any purchaser will have to gain planning permission for the construction of a new vehicular access, suitable boundary treatment and use of the property as a residence. There are also alternative considerations for the property.

1.3 TENDERS RECEIVED

1.3.1 The submissions have been made by;

- Euro Property Management Ltd
- Joanne Benford
- Ranjit Singh Property

1.4 TENDER VALUES

1.4.1 The submitted tenders were as follows;

- Submission 1 - £125,000 OR £90,000 plus (other property)
- Submission 2 - £107,500
- Submission 3 - £92,000

2. TENDERS FOR THE PROVISION OF HEALTHWATCH SERVICES – CRN 633

2.1 ATTENDEES AT TENDER OPENING

First opening:

Date: 16th November 2012

Location: Bryan Hanson House

Attendees: Karen Burke, Procurement & Category Manager
Phil Homsby, Head of Service – Child and Adult Services

Opening of revised bids:

Date: 7th December 2012

Location: Bryan Hanson House

Attendees: Karen Burke, Procurement & Category Manager
David Hart, Strategic Procurement Manager

2.2 TENDER BACKGROUND

- 2.2.1 The Health and Social Care Act 2012 and Health Reforms imposes a duty on upper tier and unitary local authorities to make contractual arrangements with a Local Healthwatch organisation for the involvement of local people in the commissioning, provision and scrutiny of health and social services.
- 2.2.2 Following receipt of an initial 3 bids, all of which were over budget, bidders were approached and asked to resubmit their offers on the basis of a specific budget figure. In response to this request, only one bidder returned a revised, in-budget offer.

2.3 TENDERS RECEIVED

- 2.3.1 In response to the original Invitation to Tender, submissions were received from the following companies:

Hartlepool Voluntary Development Organisation
SDAIS
University of Teesside

2.4 TENDER VALUES

- 2.4.1 Following the request for revised tenders which were within budget, the single submitted tender offered an indicative value of £351,000 over the period of the contract.

B TENDERS DUE TO BE OPENED BEFORE NEXT MEETING

Tender Name & Reference

- York Road Improvements – CRN 650
- Rehab & Transitional Care – CRN 645

3. RECOMMENDATION

- 3.1 That the Sub-Committee note the contents of the report.

4. CONTACT OFFICER

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