

Procurement Title Procurement for the Supply of Liquid Fuels			
Procurement Option Call off contract from Crown Commercial Service (CCS) National Fuels Framework 2 RM6177			
New or Existing Provision Existing – current contract end date 30/09/2021			
Estimated Contract Value and Funding Arrangements £1,300,000 per annum £2,600,000 over a 2 year period. £5,200,000 over a 4 year period. Funding will continue to be met by service operational budgets. *Please note: The delivered price of liquid fuels is very susceptible to changes in the oil commodity market as the commodity element makes up a large proportion of the delivered price. Therefore, any changes to the commodity price will have a large impact on contract value.			
Contract Duration It is proposed that the Crown Commercial Service (CCS) National Fuels 2 RM6177 Framework is utilised to procure an initial two year contract (October 2021 to September 2023) for these fuels, with a recommendation to repeat the exercise in order to award a contract for a further two years (October 2023 to September 2025) in line with the framework guidelines.			
Lotting The CCS National Fuels Framework is lotted regionally and nationally, with the County Council accessing the lot for the North West region. At product level, the contract is automatically lotted for the different types of fuel required.			
Evaluation <table border="1" data-bbox="209 1357 1018 1413"> <tr> <td>Quality Criteria 0%</td> <td>Financial Criteria 100%</td> </tr> </table>		Quality Criteria 0%	Financial Criteria 100%
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The Crown Commercial Service will undertake further competitions between suppliers awarded to the framework on behalf of the County Council, by the means of a reverse e-auction which will be based on lowest supply margin.			

Contract Detail

The Liquid Fuels contracts supply the County Council with the following fuels:

Heating Oils:

- Gas Oil Class A2
- Kerosene Class C2
- Heating Oil Substitute (e.g. Ultra 35)
- Gas Oil Class D

The government has recently announced that the entitlement of organisations to use Gas Oil (Class A2) rebated fuel will cease 1 April 2022, with sites having to switch to white diesel which is taxed at a higher rate.

County Council sites that purchase heating oil include highway depots, outdoor education centres, museums and libraries. Some school sites also purchase heating oils through the contract.

Vehicle fuels:

- Ultra Low Sulphur Diesel (ULSD) or White Diesel (EN590)
- Biodiesel

Highway depots are bulk purchasers of vehicle fuel.

Additional Products

- AdBlue

AdBlue is used to lower nitrous oxide that is omitted from Diesel engines exhausts. AdBlue reacts with Nitrous Oxides (NOx) absorbing the harmful elements, therefore producing lower emissions.

AdBlue is a new requirement for the liquid fuels contracts as the County Council has steadily been increasing purchases of this product over recent years due to an increase in vehicles in the County Councils fleet requiring this supplement. It is currently spot-purchased as-when required. However, volumes are now at a level where it is believed that bulk purchasing will be beneficial and more cost effective.

The estimated annual volumes of each type of fuel are as follows:

Fuel	Approx Volume	Approx Spend
White Diesel (ULSD) / Biodiesel	1,072,927	£983,087
Gas Oil A2 (Red Diesel)	576,217	£260,057
Gas Oil Class D	10,700	£4,101
Heating Oil Substitute	43,713	£16,652
Kerosene	14,557	£3,704
Ad Blue	26,000	£15,080
	1,744,114	£1,282,681

The current liquid fuels contracts expire on the 30 September 2021. The contracts require re-procuring so that buildings can continue to be heated, and vehicles and plant remain operational.

CCS national fuel frameworks have been used successfully for these contracts for the previous eight years with minimal complaints or issues over service quality. The framework providers access to directly compete the fuel with up to ten suppliers covering the North West region.

Fuel prices from the CCS framework are made up of four elements:

- Commodity price of the fuel
- Duty
- Supplier margin
- CCS management charge

The supplier margin and CCS management charge are fixed for the duration of the contract.

The supplier margin will be determined by the further competition and covers supply costs, distribution costs, cost of credit, overheads, and profit. The current CCS management charge to use the framework is 0.20 pence per litre.

The commodity price of the fuel is set by CCS using a weekly lagged price calculated in conjunction with the Platts Index, an independent provider of information and benchmark prices for the commodities and energy markets.

The CCS framework provides an OJEU compliant route to contracting with suppliers.

Benefits of using the framework include:

- accessing established terms and conditions;
- CCS undertaking the further competition on the Council's behalf (thus saving procurement administration time);
- a lotted structure that provides access to regional and national suppliers,
- contract management undertaken by CCS, including monitoring KPIs, and clear and
- transparent pricing.

Procurement Title

Provision of Fostering Agency Placements Flexible Agreement

Procurement Option

The proposal is for Lancashire County Council to procure a Flexible Agreement which establishes a list of approved independent foster care agencies based on a robust selection criteria.

Accepted agencies will be tiered based on the published quality and price criteria, with the Council working more collaboratively with tier 1 agencies.

Lancashire County Council will lead the procurement and it is intended to be in conjunction with Blackburn with Darwen Borough Council, Blackpool Council and Cumbria County Council (BBLC). However, at this stage Lancashire has not received the final confirmation from the other three local authorities. It must be noted that Lancashire will continue to procure this Flexible Agreement as per this report.

It will be the responsibility of the individual local authorities to commission their required services from the Flexible Agreement following the published criteria.

New or Existing Provision

Existing - Current contracts expire on 04/05/22. Existing placements will continue on the current contract's terms and conditions whilst the child remains in the placement identified within the existing agreement until the child reaches eighteen.

New placements will be governed by the new Flexible Agreement.

Estimated Contract Value and Funding Arrangements

The estimated total annual spend through the Flexible Agreement is £37.1m. This is based upon the weekly spend at 31st December 2020 of £39,272 for Blackburn with Darwen BC; £139,387 for Blackpool Council; £132,947 for Cumbria County Council and £400,917 for Lancashire County Council.

Contract Duration

It is intended that the Flexible Agreement will remain in effect for 9 years. Service contracts awarded as call-off contracts from the Flexible Agreement will be up to the full length of the individual fostering placement with the named agency and the fostering household. They will include initial periods, break points and potential extensions configured to balance stability of care and to manage performance.

Lotting

The Flexible Agreement will be split into two geographical areas:

Area A - Blackburn with Darwen, Blackpool and Lancashire

Area B – Cumbria

(The precise footprint will be detailed in the published procurement documents)

Within each Area there will be three Lots based on service types:

Lot 1 Mainstream

Lot 2 Enhanced

Lot 3 Step Down

Within the above lots an assessment will take place to determine which tier each agency should be placed.

Evaluation

Acceptance onto the Flexible Agreement will be based on the published evaluation criteria and will include:

Lot specific selection criteria focussing upon OFSTED registration & rating (or equivalent), price and the minimum level of fostering households/carers within the specific geographical area.

Service Contracts will be awarded following an assessment of service delivery proposals based on the requirements of the specification for each Lot; this will include service specific requirements and an assessment of price.

Individual placements will be commissioned by the individual local authority. The individual local authority will be responsible for following the published call off process and will assess each placement offer to ensure that the service delivery proposals meet the service specific requirements.

Contract Detail

Each of the four authorities have a statutory duty to provide a sufficiency of foster care placements for Children Looked After (CLA) that they hold responsibility for under Section 20 of the Children Act 1989.

Since 2019 the authorities have been collaborating as part of a DfE funded project to improve the sufficiency of foster care placements across their combined authorities. The first part of this project involved the development of a feasibility study, identifying methods the four authorities could utilise to increase their sufficiency. A key recommendation from this feasibility study was the development of a sub-regional independent foster care agreement as outlined in this paper. By working together, the four authorities will develop the Flexible Agreement with the aim to influence the behaviour of these agencies to ensure they prioritise the children from the four authorities within the combined authorities' geographical footprint.

Each of the authorities maintain their own foster care service which assesses, registers, supervises and supports their own foster carers, however each of the authorities also rely upon independent foster care agencies to meet their overall need of local placements. On 31st December 2020, the four authorities placed 873 CLA with independent foster care agencies.

On 31st March 2020 (most recent published figures), the four authorities combined CLA population was 3881, with 2606 of these CLA placed within Foster Care.

	Children Looked After	Foster Care	Independent Foster Care (31/12/20)
Blackburn with Darwen	411	269	48
Blackpool	652	469	170
Cumbria	722	525	157
Lancashire	2096	1343	498
Combined	3881	2606	873

The Flexible Agreement will provide the availability of a greater number of independent foster care agencies which can be utilised based on individual need.

As part of the application process agencies will select whether they wish to be part of Area A - Blackburn with Darwen, Blackpool and Lancashire and/or Area B – Cumbria.

There will be a staged evaluation. The minimum selection criteria for the Agreement will evaluate technical and professional ability, economic and financial standing. It will also require agencies to have at least two fostering households within the combined geographical footprint and to be registered by OFSTED and have a rating of requires improvement and above, or equivalent.

Those agencies who pass this criteria will then be assessed for the Lots they have applied for and it will be determined which tier within the Lot they will be placed.

Once the Flexible Agreement is awarded each authority will be responsible for commissioning placements from a Flexible Agreement agency for their own needs and will be responsible for the contract management and payment of all fees.

A tier review will take place annually to ensure agencies maintain the required level of quality and prove to be working collaboratively with the authority.

Every three years the Flexible Agreement will be open for new agencies to apply and existing agencies will be reassessed.

The Flexible Agreement is expected to commence on Tuesday 3 May 2022 with the Tier 1 agencies on all Lots having enhanced performance management arrangements with the four local authorities.

Procurement Title

IT Hardware, Commercial Off-the-Shelf Software, ICT infrastructure Software and other associated Software Support Services

Procurement Option

This proposal is a revision to the previously approved January 2021 submission which was to use the Kent County Supplies (KCS) Framework Agreement which was withdrawn without notice earlier in the year.

The new approach proposes that the Council approves a Direct Award via the HealthTrust Europe (HTE) Framework Agreement for ICT Solutions (ComIT 2 – Complete IT) for IT Hardware and Software.

This is a single Lot Framework and has been created to provide a cost effective and simple route to market for the Public Sector's IT requirements. The framework covers the procurement of IT hardware, software, programs, applications, security, computer science, managed services, consultancy and associated services.

The selection of the supplier via the Direct Award process will be subject to a robust benchmarking/evaluation process by HTE on behalf of the Council using selection criteria agreed with the Council.

New or Existing Provision

Existing Contract – The Current contract arrangement is with British Telecom and was novated on 1st April 2021 as a continuing contract between the Council and BT.

New Contract - This is proposed to be with a new supplier selected under the HTE Framework and will be a dual source, running alongside the BT contract, to provide the Council with an alternative supplier.

Estimated Contract Value

This will be dependent upon volumes and the future demand for services but up to an estimated value of £9.5m per annum, a potential total value of £38m over the overall 4-year period (inclusive of the extension options). This is built upon the following budget assumptions:

Due to the historic lack of visibility of detailed line item expenditure/budget information from the previous outsourced provider BTLs, this value is our best estimate with the information we have available at the moment.

Category of Expenditure	Estimated Annual Value (£ m)
Supplier Catalogue (IT core and non-core Hardware and Software) including iPads, Laptop's, Monitors, PC Peripherals, Software, Tablets and Yoga	£3.0m
Supplier Non-Catalogue (IT non-Core IT Hardware and Reseller Software including Software as a Service) (e.g. Microsoft products, Commercial of the Shelf (COTS) software, Enterprise software, Operating systems, Recovery and data backup software, School Information Management systems, Security software such as adware and malware, antivirus, encryption, firewall, Virtualisation, Workflow management systems and software)	£5.0m
Supplier self-delivered Support and Consultancy Services (e.g. Technical Operational Services, Service Design and Implementation, End user support Service desk, Integration, Installation, Project Management, Training, Software Asset management)	£0.5m
Supplier purchased Support and Consultancy Services for enterprise level software via Vendor (e.g. Technical Operational Services, Service Design and Implementation, End user support, Service desk, Integration, Installation, Project Management, Training, Software Asset management) such as for McAfee, ServiceNow, F5 and Adobe	£1.0m
Annual Total	£9.5m

Contract Duration

The New Contract arrangement will be for an initial term of 2 years with effect from July 2021 with an option to extend the contract beyond the initial term to a maximum of a further 2 years, in two separate annual increments.

Lotting

Not applicable.

The New Contract will be delivered as a single value-added reseller (neutral vendor), provider model. The provider will manage a supply chain of catalogue suppliers to fulfil the Council's future requirements.

Evaluation

A formal tender evaluation is not required as the contract will be awarded through the HealthTrust Europe Framework agreement via a Direct Award process to one of the Framework's seven suppliers.

However, the selection of the supplier via the Direct Award process will be subject to a robust benchmarking/evaluation process by HTE on behalf of the Council using a range of technical and commercial selection criteria proposed by HTE and agreed with the Council.

The Framework allows for a simple and competitive route to procuring the required goods and services and is compliant with EU Procurement Directives and the UK Public Contract Regulations 2015, therefore removing the need to run a full procurement process. All seven possible providers listed on the HTE framework have already been assessed for their financial stability, track record, experience, and technical and professional ability by HTE.

One of the agreed selection criteria will be for the supplier to provide an e-catalogue solution that interfaces with our ORACLE Purchase to Pay System.

Contract Detail

IT Hardware and Software is essential for the Council and current partners, and Lancashire schools. It affects all departments of the Council and is now a ubiquitous requirement for modern day organisations.

The successful supplier will provide a full and effective catalogue of IT Hardware and Software products that will enable and assist in the delivery of the Digital First Corporate Strategy over the life of the contract. The catalogue will be controlled and authored by the Council. This will provide a progressive, value for money and modern method of specifying and ordering IT Hardware.

The catalogue will include both non-technical "end user" (laptop, monitor, mouse, headsets) and technical products combined with regular commercial off the shelf "boxed" software.

Additionally, the supplier will be able to supply ICT infrastructure Software (e.g. Security Solutions, Software Asset Management Solutions, VMware etc.) as an authorised re-seller of such software solutions on a cost plus agreed mark-up basis and associated support and professional services to support implementation where required.