

**REPORT TO:** Executive Board

**DATE:** 19 October 2017

**REPORTING OFFICER:** Strategic Director, Enterprise  
Community & Resources

**PORTFOLIO:** Resources

**SUBJECT:** Discretionary Support Scheme – Waiver of  
Procurement Standing Order

**WARDS:** Borough-wide

## **1.0 PURPOSE OF THE REPORT**

1.1 To seek approval from Executive Board to waive Procurement Standing Orders, in order to extend the contract for the provision of community support items under the Discretionary Support Scheme from 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2019, following a benchmarking exercise.

**2.0 RECOMMENDATION: That approval be given to using Procurement Standing Orders 1.14.3 (c) where compliance would result in a clear financial or commercial detriment to the Council, and 1.14.3 (d) where compliance would result in the Council having to forego a clear financial or commercial benefit, in order to waive Procurement Standing Order 3.1 in respect of the contract with Argos for the provision of community support goods for the Discretionary Support Scheme, which is below the EU threshold.**

## **3.0 SUPPORTING INFORMATION**

3.1 The Discretionary Support Scheme (DSS) is now in its fifth year of operation. The Scheme provides two areas of support for members of the public, Emergency Support and Community Support. Emergency support mainly consists of food parcels and support for fuel. Community support includes household items such as bedding and kitchen utensils.

3.2 The DSS currently uses Argos as the supplier for community support household items and this arrangement has proved very effective. Given the nature of the DSS to provide support for residents in very difficult situations, it is essential that the contract provider can provide a wide range of items and at relatively short notice. Argos has previously demonstrated they are able to meet this requirement.

3.3 The current contract with Argos expires on 31<sup>st</sup> March 2018. However, given the current welfare reform changes, especially the introduction of Universal Credit, it is considered prudent to extend the existing contract whilst the impact of these changes upon DSS applications is assessed.

- 3.4 A benchmarking exercise was carried out using the nationally recognised ESPO's (Eastern Shires Purchasing Organisation) procurement framework. This enabled a comparison to be undertaken between the prices provided by Argos with those of the Furniture Resource Centre in Liverpool. The results of the benchmarking exercise are shown in Appendix A, which demonstrates that Argos prices are lower in almost all cases.

## **4.0 BUSINESS CASE FOR CONTINUING WITH ARGOS**

### **4.1 Value for money**

Appendix A shows that Argos is able to provide items at a lower cost in all but three cases, and in addition there are a number of items which the Furniture Resource Centre is unable to supply.

### **4.2 Transparency**

The benchmarking exercise has been carried out using a recognised procurement framework using ESPO, which is public sector owned buying organisation.

## **5.0 POLICY IMPLICATIONS**

- 5.1 The waiver of procurement standing orders under item 1.14.3, Non-emergency procedures – (exceeding a value threshold of £50,000), may only be waived by the Executive Board, in exceptional circumstances including:

‘where compliance with Standing Orders would result in a clear financial or commercial detriment to the council; or

‘where compliance with Standing Orders would result in the council having to forego a clear financial or commercial benefit.’

- 5.2 In these particular circumstances the results of the benchmarking exercise demonstrates that rules of waiver of procurement standing orders are being complied with.

## **6.0 FINANCIAL IMPLICATIONS**

- 6.1 The total expenditure for 2018/19 is anticipated to be in the region of £130,000.

## **7.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

### **7.1 Children and Young People in Halton**

The value for money which the Council is achieving by using Argos will ensure that provision of community support for families contributes towards the well-being of children and young people in Halton.

### **7.2 Employment, Learning and Skills in Halton**

None.

### **7.3 A Healthy Halton**

The community support items issued via the Discretionary Support Scheme, provide housing related support which helps members of the public who are experiencing difficult circumstances.

### **7.4 A Safer Halton**

None

### **7.5 Halton's Urban Renewal**

None

## **8.0 RISK ANALYSIS**

8.1 Expenditure will be monitored by the Discretionary Support Scheme team to ensure that the Council continues to achieve value for money from the contract with Argos for the period 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2019.

## **9.0 EQUALITY AND DIVERSITY ISSUES**

None.

## **10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

None.

## Appendix A

### Price comparison of community support goods from Argos and the Furniture Resource Centre

White goods item	Argos Cost £	Furniture Resource Centre cost £	Cost difference £
Single bed frame	67.19	87.50	-20.31
Single mattress	95.99	48.45	47.54
Bunkbed frame	115.19	129.63	-14.44
Double bed frame	79.19	129.47	-50.28
Double mattress	95.99	64.97	31.02
Single sheet	2.87	4.92	-2.05
Single duvet	5.76	11.25	-5.49
Double duvet	7.20	14.17	-6.97
Curtains	27.19	45.30	-18.11
Sofa	240.00	145.75	94.25
Fridge	105.59	178.97	-73.38
Fridge/freezer	124.79	276.76	-151.97
Gas cooker	273.59	335.28	-61.69
Electric cooker	211.19	243.54	-32.35
Washing machine	215.99	294.10	-78.11
Microwave	38.39	47.94	-9.55
Toaster	5.27	13.43	-8.16
Kettle	5.27	9.91	-4.64
Cutlery	2.87	3.09	-0.22
Dinner set	5.75	14.44	-8.69
Cot	62.39	108.55	-46.16
Cot mattress	24.95	27.13	-2.18
Babies bottles	6.23	15.42	-9.19

A number of items including clothing, a toddler bed frame, a pram, and cot bedding are not supplied by the Furniture Resource Centre.