

**Bolsover District Council**

**Meeting of the Executive on 3<sup>rd</sup> April 2023**

**Report of the Portfolio Holder for Corporate Governance**

**Approval of further extension of contract with PropTech Supplier The Future Fox**

<b>Classification</b>	This report is Public
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**PURPOSE / SUMMARY OF REPORT**

- To seek agreement to further extend the Council's contract with the Future Fox to cover the extension of the Council's PropTech project using the Round 3 funding award from the Government's PropTech Engagement Fund.

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**REPORT DETAILS**

**1. Background**

- 1.1 Members will be aware that the Council has been selected as one of the pilot authorities under the Department for Levelling Up, Housing and Communities' PropTech Engagement Fund and that the Council secured £195,800 for plan-making consultation work through Rounds 1 and 2 of the Fund.
- 1.2 To help deliver this opportunity, the Council ran a tender exercise in November and December 2021 and procured a suitable PropTech software provider to deliver the Council's project. This exercise saw the Future Fox being identified as the preferred contractor and the contract with them was entered into on 31<sup>st</sup> March 2022 and covered services to the value of £72,015.
- 1.3 Following receipt of the Round 2 funding this contract was extended following approval of the Executive in July 2022 and covered services to the value of £170,315. Members will be aware that the Council has utilised this new software for the Initial Consultation Exercises and Masterplanning Consultation Exercises for both the Shirebrook and the Creswell Growth Plans and that levels of engagement have been positive.

- 1.4 Based on this positive experience, officers have been working closely with officials at the Department for Levelling Up, Homes and Communities to provide feedback on the Council's work and this has been very well received by the Department. As a result, the Council was invited by the Department to bid for additional funding under Round 3 of the PropTech Engagement Fund to deliver further innovative digital planning work through our partnership with The Future Fox.
- 1.5 In light of this opportunity, the Council has developed proposals with The Future Fox that would deliver further benefits for the Council's planning service and test the potential for new technologies, such as artificial intelligence software to carry out some of the more time consuming administrative elements of the plan-making process like representation scanning and summary, as well as providing a virtual reality event for the Creswell Growth Plan.
- 1.6 This proposal was submitted to the Department on 27<sup>th</sup> January 2023 and this has seen the Council be successful again and receiving an offer of a further £282,800 to deliver this work with The Future Fox. This offer has been accepted and the funding was received in March 2023.

## **2. Details of Proposal or Information**

- 2.1 Securing a further £282,800 under the Department for Levelling Up, Homes and Communities enables the Council to deliver the planned PropTech proposals.
- 2.2 Given the Department's support for the Council's work with The Future Fox, the preferred option would be to engage The Future Fox to deliver this work. In addition, The Future Fox are well placed to deliver the software development and deliver the proposals in time to meet the Council's and the Department's timescales. However, this would require an extension to their existing contract and see the cost of the contracted works increase to £453,115 – a sum significantly above their existing tendered for contract.
- 2.3 From consideration of this matter with the Procurement team, due to the value of the proposed works there would be merit in testing the market again to ensure that the Council is awarding contracts in the correct manner. However, due to the central role of The Future Fox in the bid making process and the collaborative nature of the Department's PropTech Engagement Fund it is noted that the proposals are specifically tailored to utilise The Future Fox's expertise in this field, meaning that it would be likely to result in them scoring highest in any procurement exercise.
- 2.4 In addition, committing to a second procurement exercise will introduce a delay of approximately two months in order to set up the exercise, run it and evaluate it. Furthermore, the exercise could also potentially create reputational problems for the Council.
- 2.5 As a result, due to the exceptional circumstances of this contractual matter as discussed above it is considered that a further procurement exercise is not pursued and that an extension to The Future Fox's existing contract is approved as an exemption to the Council's Contract Procedure Rules under section 4.8.4 (1) (c) as follows:

“The work to be executed or the goods or services to be supplied constitute an extension to an existing contract and it would not be in the interests of the service or the Council to tender the contract. “

### **3. Reasons for Recommendation**

- 3.1 The Council’s success in securing funding from the Government’s PropTech Engagement Fund is a benefit for Bolsover District and the authority and should see innovative digital consultation proposals being developed and rolled out. As such, enabling the Round 3 proposals to proceed in the manner described above is desirable.
- 3.2 Therefore, the agreement of the Executive is sought to extend the Council’s contract with the Future Fox as an exemption to the Council’s Contract Procedure Rules to cover the extension of the Council’s PropTech project using the Round 3 funding award from the Government’s PropTech Engagement Fund.

### **4 Alternative Options and Reasons for Rejection**

- 4.1 It would be possible to pursue a second procurement exercise and accept the delay to the project and the potential reputational problems for the Council. However, the reasons for not pursuing this alternative option are set out in the report above.

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## **RECOMMENDATION(S)**

That the Executive agree to extending the value of the contract with The Future Fox to £453,115 as an exemption to the Council’s Contract Procedure Rules.

Approved by Councillor Duncan McGregor, Portfolio Holder for Corporate Governance

### **IMPLICATIONS:**

**Finance and Risk:**            Yes             No

**Details:** The costs involved are fully funded by the Government grant received from the PropTech Engagement Fund. The money has already been received and is sufficient to cover the proposed contract value.

On behalf of the Section 151 Officer

**Legal (including Data Protection):**            Yes             No

**Details:** The legal implications of the funding and contract have been reviewed by the Legal team and are found to be acceptable. There are no data protection implications related to the contract.

On behalf of the Solicitor to the Council

**Environment:**            Yes             No

*Please identify (if applicable) how this proposal / report will help the Authority meet its carbon neutral target or enhance the environment.*

**Details:** There are no environment implications arising from this report.

**Staffing:** Yes  No

**Details:** There are no human resources implications arising from this report.

On behalf of the Head of Paid Service

## DECISION INFORMATION

<b>Is the decision a Key Decision?</b> A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds:  <b>Revenue - £75,000</b> <input type="checkbox"/> <b>Capital - £150,000</b> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	Yes
<b>Is the decision subject to Call-In?</b> (Only Key Decisions are subject to Call-In)	Yes

<b>District Wards Significantly Affected</b>	All
<b>Consultation:</b> <b>Leader / Deputy Leader</b> <input checked="" type="checkbox"/> <b>Executive</b> <input type="checkbox"/> <b>SLT</b> <input type="checkbox"/> <b>Relevant Service Manager</b> <input type="checkbox"/> <b>Members</b> <input type="checkbox"/> <b>Public</b> <input type="checkbox"/> <b>Other</b> <input checked="" type="checkbox"/>	Yes  Details: Chair of Planning Committee

### Links to Council Ambition: Customers, Economy and Environment.

- Enabling housing growth;
- Developing attractive neighbourhoods;
- Increasing customer satisfaction with our services.

## DOCUMENT INFORMATION

Appendix No	Title
<b>Background Papers</b>	
<i>(These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Executive you must provide copies of the background papers).</i>	