

Cabinet 23 September 2020	 TOWER HAMLETS
Report of Neville Murton – Corporate Director, Resources	Classification: Unrestricted
Contracts Forward Plan – Quarter Two (FY2020-2021)	

Lead Member	Councillor Candida Ronald, Cabinet Member for Resources & the Voluntary Sector
Originating Officer(s)	Zamil Ahmed – Head of Procurement
Wards affected	All wards
Key Decision?	Yes
Forward Plan Notice Published	
Reason for Key Decision	Significant Financial Expenditure and Significant Impact on two or more wards
Community Plan Theme	A fair and prosperous community

EXECUTIVE SUMMARY

The Council's Procurement Procedures require a quarterly report to be submitted to Cabinet, setting out a forward plan of supply and service contracts over £250K in value, or capital works contracts over £5m. This provides Cabinet with the visibility of all high value contracting activity, and the opportunity to request further information regarding any of the contracts identified. This report provides the information in quarter two of the current Financial Year. Only contracts which have not previously been reported are included in this report.

Recommendations:

Mayor in Cabinet is recommended to:

1. Consider the contract summary at Appendix 1, and identify those contracts about which specific reports – relating to contract award – should be brought before Cabinet prior to contract award by the appropriate Corporate Director for the service area
2. Confirm that the remaining contracts set out in Appendix 1 can proceed to contract award after tender
3. Authorise the Divisional Director, Legal Services to execute all necessary contract documents in respect of the awards of contracts referred to at recommendation 2.2 above
4. Review the procurement forward plan 2020-2022 schedule detailed in Appendix 2 and identify any contracts about which further detail is required in advance of the quarterly forward plan reporting cycle

1. REASONS FOR THE DECISIONS

- 1.1 The Council's Procurement Procedures require submission of a quarterly forward plan of contracts for Cabinet consideration, and it is a requirement of the Constitution that "The contracting strategy and/or award of any contract for goods or services with an estimated value exceeding £250K, and any contract for capital works with an estimated value exceeding £5m shall be approved by the Cabinet in accordance with the Procurement Procedures". This report fulfils these requirements for contracts to be let during and after quarter two of the current financial Year.

2. ALTERNATIVE OPTIONS

- 2.1 Bringing a consolidated report on contracting activity is considered the most efficient way of meeting the requirement in the Constitution, whilst providing full visibility of contracting activity; therefore no alternative proposals are being made.

3. DETAILS OF THE REPORT

- 3.1 Council's procurement procedures and processes have undergone major improvements to ensure they are clear, concise and transparent. Our systems, documentations and guidance to suppliers have been transformed to ensure they reflect best practice in Public Sector procurement. Our efforts in maintaining effective dialogue with our bidders during the procurement process has helped to minimise procurement challenges.

- 3.2 To ensure the Council continues to be recognised for its sound procurement practices and effective engagement with the supply community, it is imperative that delays in contract award are minimised and adherence to the timetable outlined within our Invitation to Tender documentations.
- 3.3 The importance of procurement as an essential tool to deliver Councils wider social, economic and environmental aims has resulted in the need to ensure effective elected Member engagement in the pre-procurement and decision making process as identified in the recent Best Value audit.
- 3.4 This report provides the forward plan for quarter two of the current financial Year in Appendix 1 and gives Cabinet Members the opportunity to select contracts about which they would wish to receive further information, through subsequent specific reports.
- 3.5 Additionally, the report also includes a Procurement Forward Plan 2020-2022 to provide Mayor and Cabinet members with high level visibility of our planned procurement activity and the opportunity to be engaged in advance of the procurement cycle.
- 3.6 Appendix 1 details the new contracts which are planned during the period Q1 of the Financial Year. This plan lists all of the new contracts which have been registered with the Procurement Service, and which are scheduled for action during the reporting period.
- 3.7 Contracts which have previously been reported are not included in this report. Whilst every effort has been made to include all contracts which are likely to arise, it is possible that other, urgent requirements may emerge. Such cases will need to be reported separately to Cabinet as individual contract reports.
- 3.8 Cabinet is asked to review the forward plan of contracts, confirm its agreement to the proposed programme and identify any individual contracts about which separate reports – relating either to contracting strategy or to contract award – will be required before proceeding.
- 3.9 Equalities and diversity implications – and other One Tower Hamlets issues – are addressed through the Council's Tollgate process which provides an independent assessment of all high value contracts, and ensures that contracting proposals adequately and proportionately address both social considerations and financial ones (such as savings targets). The work of the Strategic Procurement Board and Corporate Procurement Service ensures a joined-up approach to procurement.
- 3.10 The Tollgate process is a procurement project assurance methodology, which is designed to assist in achieving successful outcomes from the Council's high value contracting activities (over £250K, for revenue contracts, and £5m, for capital works contracts which have not gone through the Asset Management Board approval system). All Tollgate reviews are presented to Strategic Procurement Board; contracts require approval of the Board before proceeding.

4. EQUALITIES IMPLICATIONS

- 4.1 Equalities and diversity implications – and other One Tower Hamlets issues – are addressed through the tollgate process, and all contracting proposals are required to demonstrate that both financial and social considerations are adequately and proportionately addressed. The work of the Strategic Procurement Board and Corporate Procurement Service ensures a joined-up approach to council's procurement activities.

5. OTHER STATUTORY IMPLICATIONS

- 5.1 This section of the report is used to highlight further specific statutory implications that are either not covered in the main body of the report or are required to be highlighted to ensure decision makers give them proper consideration. Examples of other implications may be:
- Best Value Implications,
 - Consultations,
 - Environmental (including air quality),
 - Risk Management,
 - Crime Reduction,
 - Safeguarding,

Best Value Implications

- 5.2 The Council is required to consider the value for money implications of its decisions and to secure best value in the provision of all its services. The Council procures annually some £350m of supplies and services with a current supplier base of approximately 3,500 suppliers. The governance arrangements undertaking such buying decisions are set out in the Council's Procurement Procedures, which form part of the Financial Regulations.
- 5.3 Contracts listed in Appendix 1 are all subject to the Council's Tollgate process which involves a detailed assessment by Procurement Review Panel and Strategic Procurement Board of the procurement strategy to ensure compliance with existing policies, procedures and best value duties prior to publication of the contract notice

Sustainable Action for Greener Environment

- 5.4 Contracts are required to address sustainability issues in their planning, letting and management. This is assured through the Tollgate process.

Risk Management

- 5.5 Risk management is addressed in each individual contracting project, and assessed through the tollgate process.

Efficiency Statement

- 5.6 Contract owners are required to demonstrate how they will achieve cashable savings and other efficiencies through individual contracting proposals. These are then monitored throughout implementation.

6. COMMENTS OF THE CHIEF FINANCE OFFICER

- 6.1 This report details a Temporary Agency Contract for up to four years totalling up to £120m, other revenue funded contracts of up to £18m and capital funded contracts of up to £4m, as detailed in Appendix 1.
- 6.2 The medium term financial strategy includes contract management savings (references SAV/CORP 02/18-19 and SAV/ALL 003/19-20) of £5.75m over the period 2020-23. Average savings across General Fund revenue contract spend of circa 6% is required to achieve the savings target.
- 6.3 Members need to be assured that any contracts being approved in this report have sufficient budgetary provision to proceed. Finance staff have given that assurance before contracts could be included in this report. Corporate Directors are also required to ensure this within their individual directorate financial responsibilities and are further required to identify at an early stage of any potential overspends against the approved contract value.

7. COMMENTS OF LEGAL SERVICES

- 7.1 The Council has adopted financial procedures for the proper administration of its financial affairs pursuant to section 151 of the Local Government Act 1972. These generally require Cabinet approval for expenditure over £250,000 for revenue contracts and £5m for capital works contracts.
- 7.2 Cabinet has approved procurement procedures, which are designed to help the Council discharge its duty as a best value authority under the Local Government Act 1999 and comply with the requirements of the Public Contract Regulations 2015. The procurement procedures contain the arrangements specified in the report under which Cabinet is presented with forward plans of proposed contracts that exceed specified thresholds. The arrangements are consistent with the proper administration of the Council's financial affairs.
- 7.3 Pursuant to the Council's duty under the Public Services (Social Values) Act 2012, as part of the tender process and where appropriate, bidders will be evaluated on the community benefits they offer to enhance the economic social or environmental well-being of the borough. The exact nature of those benefits will vary with each contract and will be reported at the contract award stage. All contracts delivered in London and which use staff who are ordinarily resident in London will require contractors to pay those staff the London Living Wage. Where workers are based outside London an assessment will be carried out to determine if the same requirement is appropriate.
- 7.4 When considering its approach to contracting, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good

relations between persons who share a protected characteristic and those who do not (the public sector equality duty). Officers are expected to continuously consider, at every stage, the way in which procurements conducted and contracts awarded satisfy the requirements of the public sector equality duty. This includes, where appropriate, completing an equality impact assessment as part of the procurement strategy, which is then considered as part of the tollgate process

Linked Reports, Appendices and Background Documents

Linked Report

- None

Appendices

- Appendix 1 – new contracts planned: Q2 of the Financial Year and beyond.
- Appendix 2 - Procurement Forward Plan 2020 -2022

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

- NONE

Officer contact details for documents:

- N/A

Appendix 1 – New contracts planned: Q2 of the Financial Year and beyond.

Contract Ref & Title	R5694 Geographic Information System (GIS) Contract		
Procurement Category:	Corporate services	Contract Duration & Extensions:	3 + 1 + 1 year
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input checked="" type="checkbox"/> On Going <input type="checkbox"/> HRA
Value Total:	£300,000		<input type="checkbox"/> Grant <input type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value P/A:	£60,000	Statutory / Non-Statutory	Non Statutory
Cost Code	23899	Budget	Revenues
Current value	£50,000 PA	Revised Annual Contract	Exiting IT application contract
Savings Annual Value	£NIL		

Summary of how savings will be achieved

As this is a continuity of service for a key existing IT application, the project team will endeavour for saving if allowed under the procurement methodology selected.

Scope of Contract

The current Council's contract for the Geographic Information System (GIS) expires in February 2021. The scope of this contract is to re-procure the GIS software for a period of three years, with the option to extend for up to two years. The GIS software is used throughout the Council for map production and analysis tasks. It provides an infrastructure for mapping functionality on the Tower Hamlets website for members of the public. The re-procurement of this contract will allow the Council to have continued access to the GIS software. It will ensure that the GIS software is kept up to date (including security patches) and access to new products as they are released during the duration of the contract. The services that use this software are:

- Towerhamlets.gov.uk Website – The Council's website contains several mapping applications such as 'Environment & Planning', 'Clean & Green', 'Education & Learning', 'My Polling Station', 'Parking' and 'Private Landlord Licensing Areas'.
- Crime Mapping – The Community Safety system developed is built using ArcGIS components to display crime incident data and run cutting edge hotspot analysis.
- Local Plan 2031 – The Local Plan has been produced using desktop GIS software.
- Planning – The Planning system using GIS software to capture and maintain application site boundaries in a digital spatial database.
- Wall Maps – Several wall maps have been produced for Mayor, Councillors, and Chief Executive, all produced using the cartographic tools within desktop GIS.
- Geospatial Portal – the system developed by IT; a server product used to create a set of interactive web maps for internal use only.

Contracting Approach

The contracting approach will be to undertake market research and benchmarking, to establish which market route will deliver the optimal value for money solution. It will include benchmarking and testing the availability of this service provision on existing framework agreements and the interest shown by companies operating in this market. The decision about which compliant procurement route to follow will be based upon the evidence gathered in this exercise.

Community Benefits

The project team will include, as part of documentation requirements, to the delivery of community benefits that are commensurate with the value of the contract, if allowed under the procurement methodology selected.

Contract Ref & Title	R5695 - Temporary Agency Contract		
Procurement Category:	Corporate Services	Contract Duration & Extensions:	2 + 2 year
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input checked="" type="checkbox"/> On Going <input type="checkbox"/> HRA <input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value Total:	£120m		
Value P/A:	£30m	Statutory / Non-Statutory	Non Statutory
Cost Code	Multiple codes	Budget	N/A
Current Annual Contract	£33m per annum	Revised Annual Contract	£30m
Savings Annual Value	To be finalised as part of award and implementation of new contract		

Summary of how savings will be achieved

This will be achieved by the reduction in the managed service provider fees and adoption of a hybrid temporary agency staffing contract and supplier savings strategy. In addition, an exercise commenced in July 2020 to reduce the number of agency workers by 25% which to date has reduced agency spend across the organisation. This will be continually monitored and reviewed on a monthly basis

Scope of Contract

The current Temporary Agency Contract is due to expire in February 2021. This procurement is to secure a contract to cover temporary agency services over the next 4 years.

The new hybrid model will introduce talent pooling of temporary workers and designed to fulfil the requirements of engaging high calibre workers across hard to fill, specialist and project roles, as well as more generic roles.

Contracting Approach

The intention of the procurement is to make a Contract Award under the London Councils Collaboration under the ESPO MSTAR 3 framework. The ESPO framework offers customers a quick, simple and competitive route to procuring a managed service provider.

All the suppliers on this framework have been selected for their ability to provide customers with a comprehensive range of services that combine quality and value.

Community Benefits

The framework terms include provision for the selected provider to work with local and BME organisations to fulfil the authorities social value aims and objectives.

The council will work with the supplier to support the social value requirements across the borough.

Contract Ref & Title	R5681 Corporate and Education Furniture Supplies		
Procurement Category:	Corporate Services	Contract Duration & Extensions:	4 years
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input type="checkbox"/> HRA <input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund <input checked="" type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value Total:	£3,700,000		
Value P/A:	n/a	Statutory / Non-Statutory	Non Statutory
Cost Code	Various	Budget	£2,000,000 – Office Furniture £1,700,000 – Schools furniture
Current Annual Contract	£450,000	Revised Annual Contract	£500,000
Savings Annual Value	To be finalised		

Summary of how savings will be achieved

The new contract will include the anticipated supply of furniture for the new Town Hall in Whitechapel. Savings against the budget cannot be predicted at this stage.

Scope of Contract

The contract is for the supply of corporate and school's furniture. Both areas have a potentially high demand for a wide range of products in the short to medium term future. The contract will be split in the following way:

Lot 1 – Office Furniture Lot 2 – Education Furniture

As well as meeting corporate day-to-day needs, this contract is intended to supply furniture for the move into the new Civic Centre at Whitechapel and support the ongoing school's capital investment programme.

Contracting Approach

The contracting approach will be to secure suppliers that can deliver a range of high-quality furniture and offer a high standard of customer service. Furniture restoration is an option to be considered that will reduce the need to buy new furniture minimising the damage to the environment and waste sent to overcrowded landfill sites. This option is to be explored further.

Contract Ref & Title	P5682 Statutory Public Notices		
Procurement Category:	Corporate Services	Contract Duration & Extensions:	3 years + 6 months
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input type="checkbox"/> HRA <input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value Total:	£577,500		
Value P/A:	£165k	Statutory / Non-Statutory	Statutory
Cost Code	Various- multi-departmental	Budget	£ 577,500
Current Annual Contract	£125,000	Revised Annual Contract	£165,000
Savings Annual Value	£NIL		

Summary of how savings will be achieved

Prior to procurement of the current contract each department was using East End Life for its statutory publications. The costs associated with this led to a significantly higher spend which formed the previous basis of provision for an annual spend of between £280-300k. By utilising a contract through a framework each service was able to identify significant savings equating to approximately 50% reduction. Continuing with a contract through a framework will enable the best pricing to be achievable, the higher revised annual contract figure is estimated and due simply to increased projected requirements for statutory notices.

Scope of Contract

There is a need to procure advertising space in printed media circulated locally due to the legal requirements that all statutory notices be placed in print. This will allow public notices to be made available to residents in a printed format and allow departments to fulfil their statutory obligations for consultation and information.

Contracting Approach

In order to ensure continuity in service of advertising statutory public notices in printed media, we are looking to utilise a national framework with specialist suppliers to provide the best possible prices to publish in printed media and fulfil our legal requirements.

Community Benefits

Community benefits will be sought as part of the tender process using the standard corporate SV matrix and allocated a 5% weighting.

Contract Ref & Title	P5670 Resource Centre Service for Rough Sleepers		
Procurement Category:	Health and Social Care	Contract Duration & Extensions:	3 + 2 years
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input type="checkbox"/> HRA
Value Total:	1,175,000		<input checked="" type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund
Value P/A:	235,000	Statutory/Non-Statutory	Non Statutory
Cost Code	10158	Budget	£235,000 per annum
Current value	£195,000	Revised Annual	£235,000
Savings Annual Value	£NIL		

Summary of how savings will be achieved

No savings are included in this contract. There is an essential uplift to ensure that during the periods of severe weather, the council is able provide enough local emergency provision for rough sleepers at risk of losing live or limb on the streets.

Scope of Contract

The main objective of the project is to deliver a day service to rough sleepers and other single homeless people to fulfil the council's aims of reducing and preventing rough sleeping and other forms of homelessness in Tower Hamlets. The council is committed to reducing and ultimately ending rough sleeping and this is included in our strategic and operational commitments as outlined in the council's Homelessness and Rough Sleeping Strategy 2018 -2023.

The impact on residents and the community of not providing the service will be an increase in rough sleeping and in the presence of rough sleepers during daytime hours on the streets and in public facilities such as the Idea Store and potentially our new Town Hall as they seek to find shelter and facilities not otherwise available. Being in the centre of London, there would be an increased risk of rough sleeping from other areas bedding down in this area without access to links to their connecting areas, thus forging links with this Authority. The consequence of that would be a call on resources, such as GP surgeries, A&E, mental health, police and

other support services which are much needed for the residents of the Borough. The benefits to the residents are that they have a wide-ranging support service available to them should they find themselves estranged from their families for reasons such as domestic violence, relationship breakdown or following a period of prison or hospitalisation.

The contract includes the following:

- *Low cost breakfasts, lunches, showers and access to IT*
- *Multi-needs assessments and a range of advice to support rough sleepers into accommodation and prevent those at risk of homelessness from rough sleeping for the first time.*
- *Support and sign posting for those with a local connection outside of Tower Hamlets to ensure they return to accommodation which is safe and where they have access to services*
- *Referral route to other support services including Substance Misuse, Health, and Education and Training.*
- *A close partnership working with the council's Housing Options services for clients for whom the council owe a housing duty under HRA or the Housing Act 1996.*
- *Close partnership with the council's commissioned rough sleeping outreach services – TH SORT – to ensure a seamless service between outreach and day services.*

There an increase in the contract value to deliver up to 25 days of 15 emergency bed spaces during periods of severe weather and when the council' s Severe Weather Emergency protocol has been activated. This was previously funded by MHCLG Rough Sleeping Initiative Funding stream, however, there is an expectation that the provision will still be provided but will no longer be funded by MHCLG.

However, during the life of the current contractual arrangement MHCLG has launched funding initiatives for Rough Sleepers where the Council has been successful. This has prompted the need to approve variation of the contract. It is the intention to include appropriate mechanism to allow for such variations in the new contract. Specifications and T&C will be clear to suppliers in this respect. We are asking Cabinet to approve future variations of this contract to include any grant funding that the Council secured during the life of the contract. For any variations where Council's revenue money is employed, current internal governance approval will be sought.

In addition, we would like to highlight that the aim of this procurement is to commission this service as described above and at full capacity commencing 1 April 2021. However, due to the Covid-19 Pandemic, the external environment and Government Guidance is evolving. We will assess closer to the time to ensure the successful provider is fully able to comply with current Government guidance on Covid-19 Safety while at meeting the needs of our rough sleeping population. This may include by not limited of service provision adaptations for an interim period.

Contracting Approach

This service will be commissioned through an OJEU Open tender. There is a limited supplier market as the requirements set out the need to hold premises adapted to deliver these unique services.

Community Benefits

The community benefits include the reduction of rough sleepers on the streets, mediation for those rough sleepers who feel unable to engage with their families in Tower Hamlets through estrangement, a voluntary reconnection service for those rough sleepers who have lost touch with family and friends in other London boroughs, outside London and outside the UK. Other community benefits include a reduction in crime and ASB that are associated with rough sleeping hotspots across the borough, and an increase in homeless people's participation in the local community through art projects, catering schemes, volunteering and peer mentoring.

Contract Ref & Title	P5673 Estate Management Services		
Procurement Category:	Services	Contract Duration & Extensions:	4 years
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input type="checkbox"/> HRA
Value Total:	£494,000		<input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund
Value P/A:	£123,500	Statutory / Non-Statutory	Non Statutory
Cost Code	52510	Budget	£130,000
Current value	£130,000	Revised Annual Contract	£123,500
Savings Annual Value	£6,500		

Summary of how savings will be achieved

Consolidate number of contracts

Scope of Contract

This procurement will provide the Council with a contract to support the delivery of estate management for the commercial estate. The contract will enable the Asset Management service to directly instruct the supplier to deliver transactional services on the Council's behalf such as rent reviews, lease renewals and lettings of vacant property. The primary use of the contract will be to support service delivery for the commercial property estate, and other corporate and education buildings where lease or license events are due.

The value of the contract will be £123,500 per annum, for 4 years (total value £494k over term). The length of contract enables the Council to procure a supplier that will commit resource to build a medium-term relationship and to also provide gather knowledge relating to the Council's estate. This would also be the maximum length that the Council should let the contract for to ensure the charges can be regularly benchmarked and tested in the market. The size of the contract will encourage both local SME's and nationals to bid.

The contract will provide support and resilience for the Asset Management service in managing the Council's non-domestic property portfolio. This portfolio consists of around 274 shops, over 100 other commercial buildings and circa 100 corporate buildings including community buildings, pavilions and mixed-use buildings.

The social value and community benefits will form part of the tender process and will encourage bidders to make commitments in relation to work experience opportunities and other community benefits.

The property market in London is buoyant and attracting companies to bid for this work will be challenging. It is believed that by developing a medium-term contract length and being transparent with the volume of transactions and anticipated spend will help encourage companies and especially SME's to bid. Market warming will take place through phone calls and word of mouth.

Contracting Approach

The market for these services is competitive and there are firms operating at a local, regional and national level that are likely to bid across all lots. The existing providers range from local to national firms and all have expressed an interest in bidding again for these services as well as approaches that have been received from other firms that are operating for local authorities within London and the South East.

The procurement will be run using the OJEU open procedure. The contract length will be 36 months with an optional extension of 12 months. The length of contract and anticipated spend will ensure that the Council has a good mix of firms bidding for the contracts and this will also encourage local SME's to bid. The Open procedure has been selected as it is anticipated that this method will ensure a good volume of companies will

be interested and bid. There is a risk with the restricted procedure that the additional paperwork and time will put companies off. The contract will include provision for the following services (that were previously contracted as separate lots):

1. Lease Renewals, Rent Reviews & Letting for Council buildings and the Commercial Estate (excluding Mile End Park & Ben Johnson Road)
2. Estate Management services for Mile End Shop Units & Ben Johnson Road (to include letting, lease renewals, rent reviews and service charge management regime)
3. Lease Renewals, Rent Reviews & Letting of Council Telecom Masts & Advertising Hoardings

This approach has been used as it will provide enough work certainty for Suppliers to price the transactional events competitively and provide some form of economy of scale. This contracting model reduces the number of existing contracts from 3 to 1 and will also result in time saving and efficiency on the Council side.

Community Benefits

The tender will be issued with the Community Benefits schedule and aim to achieve benefits for the community for the duration of the contract.

Contract Ref & Title	P5688 Underground Refuse Service (URS) Vehicle		
Procurement Category:	Capital	Contract Duration & Extensions:	One off purchase
One-Time / Recurrent	One-Time	Funding Source:	<input checked="" type="checkbox"/> Capital <input type="checkbox"/> On Going <input type="checkbox"/> HRA
Value Total:	£270k		<input type="checkbox"/> Grant <input type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value P/A:	-	Statutory / Non-Statutory	Non Statutory
Cost Code	53110	Budget	£270,000
Current value	-	Revised Annual Contract	-
Savings Annual Value	£NIL		

Summary of how savings will be achieved

Like for like replacement

Scope of Contract: To procure a new URS vehicle to replace an aging existing vehicle dating from 2012. This will help to ensure that a reliable service is delivered to residents, and replace an existing vehicle which is more prone to mechanical failure, and not compliant with pending air quality / engine performance requirements (expansion of the ultra-low emission zone)

Contracting Approach: The previous specification for the two vehicles received in 2019 will be used, to source quotations for this specialist vehicle from manufacturers that have the capability to produce this type of collection vehicle. The third vehicle will replace the existing, aging vehicle, which has become more unreliable and subject to more costly repairs to maintain it. This will support the delivery of a reliable service on this specialist collection round.

Community Benefits:

The tender will seek to secure Community benefits by appending the Social Value Matrix worth 5% of the overall tender marks.

Contract Ref & Title	P5687 Traffic Management Services – Waste Operations		
Procurement Category:	Corporate Services	Contract Duration & Extensions:	3 + 1+ 1 year
One-Time / Recurrent	One-Time	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input type="checkbox"/> HRA <input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value Total:	£380,000		
Value P/A:	£72,000 year one plus annual inflation	Statutory / Non-Statutory	Statutory
Value P/A:		Statutory / Non-	Non Statutory
Cost Code	53418	Budget	£380,000
Current value	-	Revised Annual Contract	£72,000 plus
Savings Annual Value	£NIL		
Summary of how savings will be achieved			
This is a new provision and savings cannot be identified for this procurement exercise.			
<p>Scope of Contract Cleaning the Blackwall Tunnel Northern Approach Road is a regular and statutory duty and it cannot be carried out safely without mobile lane closures to protect the workforce and allow cleaning operatives full access.</p> <p>The council therefore has to arrange for mobile lane closures and traffic control measures to facilitate this regular scheduled cleaning. It is a complex operation that requires specialist skills and equipment and its nature means that an approach to the open market will be required to source a provider.</p> <p>Contracting Approach An EU Open procedure will be used as it has been proven in previous exercises that the market to provide these services is limited.</p> <p>Community Benefits Community Values will be secured as part of this tender using the corporate Social Value matrix.</p>			

Contract Ref & Title	P5693 South Dock Bridge Sponsorship Package		
Procurement Category:	Corporate Services	Contract Duration & Extensions:	6 Months
One-Time / Recurrent	One-Time	Funding Source:	<input checked="" type="checkbox"/> Capital <input type="checkbox"/> On Going <input type="checkbox"/> HRA <input type="checkbox"/> Grant <input type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value Total:	One-Time		
Value P/A:	£426,000.00	Statutory / Non-Statutory	Non Statutory
Cost Code	52913	Budget	£26,000
Current value	£26,000	Revised Annual Contract	£426,000.00

Savings Annual Value	See section below: Savings value will depend on the operation and maintenance of the bridge - costs yet unknown.
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Summary of how savings will be achieved

If a sponsorship deal is secured, then income from sponsorship will be used to operate and maintain South Dock Bridge when it opens in 2022.

Scope of Contract

The appointment of a media agency to develop a sponsorship package for the proposed new footbridge over the South Dock in Canary Wharf, known as South Dock Bridge. The media agency to engage with brands on behalf of the Council and to secure a sponsorship deal comprising of naming rights to the bridge.

The appointment of the media agency is set at £26,000 for an appointment of six months. This will act as investment for the council into commercial opportunities for the bridge. If sponsorship is successful secured, this could bring a return of £400,000 per annum for a five-year sponsorship deal, totalling £2,000,000.

If a sponsor is successfully found, commission will apply to any sponsorship deal secured by the media agency. The commission will be circa 15 to 20% of the total gross value of sponsorship secured within 12 months following the end of the term of appointment (the full terms and the rate of the commission to be negotiated with the supplier at time of appointment).

As mentioned, the maximum income generation from a potential five-year sponsorship deal is expected to be £400,000 per annum which will offer the return of £2,000,000. At 20% commission this will give the appointed agency a commission of £400,000. This equates the contract value to £426,000.

Commission charges may apply to any subsequent renewals of the sponsorship; however, these will be dealt with separately at that period.

The initial investment of £26,000 will be funded from the £15m capital budget secured for the South Dock Bridge project and will offer a potential return of £1,574,000 over a five-year period. The income generated will be used for the operation and maintenance costs of the bridge when it opens in 2022.

Contracting Approach

The appointment will be made following a competitive tender process. A number of media agencies have been approached and have expressed interest in the appointment. These include agencies recommended by Transport for London who have provided strategic advice on sponsorship and advertising opportunities for the bridge. Council terms & conditions will apply.

Community Benefits

The sponsorship deal will be sought with brands in the local area. The local community will be engaged throughout the development of the project, including with the sponsorship and branding of the bridge

Contract Ref & Title	P5691 Housing First		
Procurement Category:	Care and Commissioning	Contract Duration & Extensions:	5 years (3 +2 years)
One-Time / Recurrent	One-Time	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input type="checkbox"/> HRA
Value Total:	£950,000		<input checked="" type="checkbox"/> Grant <input type="checkbox"/> General Fund
Value P/A:	£300,000	Statutory / Non-Statutory	Non Statutory
			<input type="checkbox"/> S106 <input type="checkbox"/> Reserves

Cost Code	10166	Budget	
Current value	NA	Revised Annual Contract	NA
Savings Annual Value	NA		

Summary of how savings will be achieved

This service will be provided only subject to receiving the grant by MH CLG

Scope of Contract

The contract will provide accommodation services for homeless people. Traditionally, homeless people have been supported through a range of temporary accommodation solutions to a point where they are assessed as being “housing ready” i.e. assessed as capable of living independently and supporting a tenancy. Housing First operates differently as it separates access to housing from engagement with services to address social care and support needs. Two key elements follow from this:

- Service users are provided with permanent accommodation straight from the streets without the requirement to be housing ready
- Service users are provided with comprehensive multi-disciplinary support services which are brought to the service user. Support is usually at a higher level than a typical floating support scheme e.g. may be available 24 hours a day and include street-based client work. In a traditional floating support model a worker with usually have a caseload of 20-40 service users, under Housing First their caseload is between 5-7 clients.

The MHCLG provided continued funding for a pilot in 2018 with 1 worker and a subsequent uplift in April 2020, enabling the scheme to employ a second worker and rehouse an additional 7 clients. The MHCLG is now keen to support the council to further expand the project through a bid to the MHCLG’s Next Step Accommodation Fund 2020 – 2024. This is a 3 years funding package. The bid will be co-produced in August 2020 with the MHCLG and we are likely to hear the outcome of the bid in September 2020. The MHCLG is keen that the accommodation projects under this bid commence within 2020/21 or the latest at the start of April 2021. **This procurement exercise would only go ahead if we have received confirmation the council has been successful and will be granted funding to cover the entire cost of the scheme.** The MHCLG funding related to all rough sleeping services is ring-fenced and cannot be used for any other purpose.

The project will assist in fulfilling the council’s aims of reducing and preventing rough sleeping and other forms of homelessness in Tower Hamlets. The council is committed to reducing and ultimately ending rough sleeping and this is included in our strategic and operational commitments as outlined in the council’s Homelessness and Rough Sleeping Strategy 2018 -2023.

Contracting Approach

The proposal is to conclude an open tender procedure. This will ensure fair and transparent competitive process in compliance with the LBTH Procurement procedures and the Public Contract Regulations 2015 (EU ‘Light Touch’ regime for Schedule 3 Services).

Community Benefits

All applicable contracts over £100,000 must include 5% of its contract weighting towards securing economic and community benefits for local residents. The Social Value Matrix must be used on all contracts over the £100,000 threshold.

This project is grant funded and co-produced with MHCLG. The money granted will need to be employed only and exclusively for the resources of the project. Securing additional social value benefits may prove difficult in this project.

Contract Ref & Title	P5697 Rooftop New Homes Programme		
Procurement Category:	Construction & FM	Contract Duration & Extensions:	11 months + 2 months extension
One-Time / Recurrent	One-Time	Funding Source:	<input checked="" type="checkbox"/> Capital <input type="checkbox"/> On Going <input type="checkbox"/> HRA <input type="checkbox"/> Grant <input type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value Total:	£250,000		
Value P/A:	£250,000	Statutory / Non-Statutory	Non Statutory
Cost Code	19157	Budget	£250,000
Current value	£250,000	Revised Annual Contract	NA
Savings Annual Value	NA		

Summary of how savings will be achieved

Value for money is delivered over long term by choosing right materiality and design detail to age gracefully and produce relatively lower maintenance and reduced service charge for the residents - lifecycle costing.

Scope of Contract

The objective of this contract is to procure an architecture design consultancy to develop RIBA Stage 3 with the option to extend to Stage 3+ and Stage 4 design. RIBA Stage 1 was completed in Dec 2018 and Stage 2 is expected to be completed by the end of Oct 2020. RIBA Stage 3 design to include a) pre-app planning b) residents consultation c) planning consent d) post-planning detailed design e) tender drawings f) identifying Section 20 major works to the rest of each block.

LBTH expect to set high quality design precedence through this pilot programme so rooftop extensions schemes to follow will also provide well-designed sustainable homes to form a high-quality environment where people want to live. Contemporary design to include exploring the suitability of a) the Modern Methods of Construction (MMC) and b) the use of exoskeleton structures to ensure the design solutions proposed are affordable, least disruptive to residents during construction and achieve maximum density permissible by planning.

If RIBA Stage 3 outcome recommends MMC, the design commission comes to an end to allow prospective MMC contractor to carry out design and build. If RIBA Stage 3 recommends the suitability of traditional build, the design commission continues for RIBA Stage 4 to include detailed sets of technical working drawings for the three schemes ready for a handover to traditional build contractor for construction.

The Council is seeking to commission the design for RIBA Stages 3, 3 + & 4 with a break clause after 3.

Contracting Approach

Given the urgent need of building new homes in the borough, the schedule for the delivery of rooftop new homes is tight. As a result, LBTH Housing Regeneration (client team) have agreed with THH Property (delivery team) to procure architecture practice using mini-tender process through SEC framework.

Community Benefits

Local Lettings Policy is proposed to ensure that the new rooftop homes are made available to local households on priority basis who are in urgent need. Up to 100% of the new rooftop homes will be offered to residents in the block and then the local neighbouring estate/area. The local allocation of rooftop new homes is aimed at supporting and sustaining the local community. It is hoped that by having Local Lettings Policy, the community will be more accepting of the new rooftop homes because it will actively benefit households within the community of which they are part of.

Contract Ref & Title	CS5683 Supply of Fresh & Frozen Meat		
Procurement Category:	Corporate Services	Contract Duration & Extensions:	4 years plus 6 months extension
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input checked="" type="checkbox"/> On Going <input type="checkbox"/> HRA
Value Total:	£3,583,440		<input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value P/A:	£1,058,610 (first Year only)	Statutory / Non-Statutory	Statutory
Cost Code	87100	Budget	£732,000 (reduced due to Covid 19 and closure of schools)
Current value	£1,058,610	Revised Annual Contract	£841,610
Savings Annual Value	£217,000 (Savings achieved from April 2021)		

Summary of how savings will be achieved

Savings will be achieved due to decommissioning of Welfare Meals services and Primary/Secondary schools transferring to new catering contracts in 2021.

Scope of Contract

The Council's method for the procurement of fresh and frozen meat and Fruit and Vegetables for the education catering services has been through PAL (Procurement Across London) Group. *The PAL group is a London and Regional Catering Managers consortium and it includes the following councils: Havering, Barking & Dagenham, Enfield, Waltham Forest, Tower Hamlets, The Royal Borough of Greenwich, Thurrock Unitary Authority*

PAL contracts are managed by London Borough of Havering One Source procurement team on behalf of the London Borough of Tower Hamlets. There have been delays by London Borough of Havering One Source in procuring catering contracts in time due:

- *to changes in their procurement leadership team,*
- *loss of department staff; and*
- *capacity issues.*

Concern about the delays in awarding the new PALs contracts were raised by the PAL group at their meeting in October 2019 and it was agreed to complain formally, in writing, to the Head of Procurement at London Borough of Havering One Source; and to ask for an explanation for the contract delays. In February 2020 a response was received from One Source who promised to dedicate more resources to the PAL group and to procure contracts by summer 2020.

Although the Mayor and Burgesses of the London Borough of Havering have signed contract extensions LBTH sought local approval to authorise expenditure.

The current contracts all expired on 31st December 2019. Although the Mayor and Burgesses of the London Borough of Havering have signed contract extensions for 6 months with each supplier, LBTH are seeking Cabinet approval to authorise expenditure. Approval by Cabinet will:

- Enable the London Borough of Tower Hamlets to regularize its current use of the extended PAL contracts;
- Ensure that, if needed, following the end of the extended PAL contracts the relevant Corporate Director has delegated authority to undertake monthly expenditure until Havering has awarded new contracts;
- Allow London Borough of Tower Hamlets enough time to follow its own internal due processes to authorize the award and expenditure against those contracts.

- Currently new contracts are being prepared by One Source starting July/August 2020 for contract terms ranging from 2 to 4 years.

Contracting Approach

The collaborative procurement has always been of great benefit to Contract Services as consistent and improved pricing and quality is achieved due to the increased purchasing power of the participating member authorities. The levels of rebates negotiated for the various contract have assisted in allowing Contract Services to not increase charges to their customers and help to meet the increasing staff costs due to the Council's commitment to the London Living Wage.

The contracts are to be let through open European Procurement processes. It is intended that e auctions are used to ensure the best commercial solution providing value for money is identified from the tender exercise. The contracts will be let as Framework Agreements with an opportunity to Call off by PAL members. It is proposed to undertake the tenders based on price only, this is because the requirements will be clearly stated and defined and therefore should support best value being achieved. It is proposed to appoint suppliers to the framework agreements as follows:

Fresh & Frozen Meat – Sole supplier with backup

The contracts do not include any commitment from any member authorities regarding the amount of orders which will be placed with the supplier, although each member authority is listed in the tender documents. Each participating body will manage their own call off locally, the framework will be managed by the catering service in Havering supported by One Source.

Community Benefits

There is a requirement that all food products sourced via the framework will have come from a sustainable process and where possible are locally sourced in accordance with the standards set by the Soil Food for Life organisation. The Council is also committed to improving the quality of life and wellbeing for all Tower Hamlets residents and young people in respect of sourcing food suppliers that meet the best health determinants. The contracts are procured to ensure continued high customer satisfaction and goods and services are commissioned in a way that provides the best value for money for PAL local authority members.

Contract Ref & Title	CS5684 Supply of Fresh Fruit & Vegetables		
Procurement Category:	Corporate Services	Contract Duration & Extensions:	2 years + 6 months extension
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input checked="" type="checkbox"/> On Going <input type="checkbox"/> HRA
Value Total:	£800,000		<input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value P/A:	£400,000	Statutory / Non-Statutory	Statutory
Cost Code	87100	Budget	£325,000 (adjusted to reflect Covid 19 closure of schools)
Current value	£462.260	Revised Annual Contract	£400,000
Savings Annual Value	£62,260 (in 2021 but not ongoing)		
Summary of how savings will be achieved			
Savings will be achieved due to decommissioning of Welfare Meals services and Primary/Secondary schools transferring to new catering contracts in 2021.			

Scope of Contract

The Council's method for the procurement of fresh and frozen meat and Fruit and Vegetables for the education catering services has been through PAL (Procurement Across London) Group. *The PAL group is a London and Regional Catering Managers consortium and it includes the following councils:*

Havering, Barking & Dagenham, Enfield, Waltham Forest, Tower Hamlets, The Royal Borough of Greenwich, Thurrock Unitary Authority

PAL contracts are managed by London Borough of Havering One Source procurement team on behalf of the London Borough of Tower Hamlets. There have been delays by London Borough of Havering One Source in procuring catering contracts in time due:

- *to changes in their procurement leadership team,*
- *loss of department staff; and*
- *capacity issues.*

Concern about the delays in awarding the new PALs contracts were raised by the PAL group at their meeting in October 2019 and it was agreed to complain formally, in writing, to the Head of Procurement at London Borough of Havering One Source; and to ask for an explanation for the contract delays. In February 2020 a response was received from One Source who promised to dedicate more resources to the PAL group and to procure contracts by summer 2020. Although the Mayor and Burgesses of the London Borough of Havering have signed contract extensions LBTH sought local approval to authorise expenditure.

Cabinet approval to authorise expenditure. Approval by Cabinet will:

- Enable the London Borough of Tower Hamlets to regularize its current use of the extended PAL contracts;
- Ensure that, if needed, following the end of the extended PAL contracts the relevant Corporate Director has delegated authority to undertake monthly expenditure until Havering has awarded new contracts;
- Allow London Borough of Tower Hamlets enough time to follow its own internal due processes to authorize the award and expenditure against those contracts.

Currently new contracts are being prepared by One Source starting July/August 2020 for contract terms ranging from 2 to 4 years.

Contracting Approach

The collaborative procurement has always been of great benefit to Contract Services as consistent and improved pricing and quality is achieved due to the increased purchasing power of the participating member authorities. The levels of rebates negotiated for the various contract have assisted in allowing Contract Services to not increase charges to their customers and help to meet the increasing staff costs due to the Council's commitment to the London Living Wage. It is intended that e auctions are used to ensure the best commercial solution providing value for money is identified from the tender exercise.

The contracts will be let as Framework Agreements with an opportunity to Call off by PAL members. It is proposed to undertake the tenders based on price only, this is because the requirements will be clearly stated and defined and therefore should support best value being achieved. It is proposed to appoint suppliers to the framework agreements as follows:

Fresh Fruit & Vegetables – Multiple suppliers

The contracts do not include any commitment from any member authorities regarding the amount of orders which will be placed with the supplier, although each member authority is listed in the tender documents. Each participating body will manage their own call off locally, the framework will be managed by the catering service in Havering supported by One Source.

Community Benefits

There is a requirement that all food products sourced via the framework will have come from a sustainable process and where possible are locally sourced in accordance with the standards set by the Soil Food for Life organisation. The Council is also committed to improving the quality of life and wellbeing for all Tower Hamlets residents and young people in respect of sourcing food suppliers that meet the best health determinants. The contracts are procured to ensure continued high customer satisfaction and goods and services are commissioned in a way that provides the best value for money for PAL local authority members.

Contract Ref & Title	CS5678 Youth Services		
Procurement Category:	Care and Commissioning	Contract Duration & Extensions:	3 + 1 + 1 year
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input type="checkbox"/> HRA <input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value Total:	£6m		
Value P/A:	£1.2m	Statutory / Non-Statutory	Non Statutory
Cost Code	83100	Budget	
Current value	£987,000	Revised Annual Contract	
Savings Annual Value	As set out below		

Summary of how savings will be achieved

The Youth Service have the following approved MTFS saving:

Year	Amount	Description	Date of decision
2020/21	£50k	Youth Service restructure (SAV / CHI 004 / 20-21)	Full council budget meeting 19 th February 2020
2021/22	£450k	Youth Service restructure (SAV / CHI 004 / 20-21)	Full council budget meeting 19 th February 2020
2021/22	£167k	Creation of 0-25 workforce (SAV / CHI 001 / 20-21)	Full council budget meeting 19 th February 2020
2021/22	£100k	Additional MTFS youth service saving	Cabinet 29 th July 2020

Scope of Contract

The Youth Service provides a wide range of high-quality engaging opportunities and activities for young people aged 11-19 (up to age 25 if they have additional needs) to enable them to build their social and emotional skills, develop their own projects and enjoy safe spaces. The contract will be divided into 3 main lots with sublots representing the geographical area of the borough.

The proposed delivery model and contractual approach was presented to Cabinet on 29th July 2020. The recommendations in the report noted the intention to contract for 3 years but it did not include the additional 2 year (+1, +1) extension; although this was mentioned in the main body of the report. This appendix therefore reflects the full intended length of the contract and the value. Which will be 3 initial years with a value of £3.6m with the option to extend for a further 2 years representing an additional £2.4m. Total value of the contract for the 5 years period £6m.

Contracting Approach

The procedure will be an OJEU open procedure under the light touch regime. A market engagement event has been scheduled to take place on 13th August 2020 in order to warm the market of the upcoming opportunity; and to seek ideas from the sector that may inform the final specifications. The market engagement event has been well received by TH VCS organisations.

Community Benefits

We will aim to include some added social value although the value of individual contracts will be very small. The bidders are likely to be local charities or VCS therefore it may be very difficult to achieve some, if any, added social value.

Contract Ref & Title	P5698 CCTV Digital equipment		
Procurement Category:	Construction & FM	Contract Duration & Extensions:	One off purchase
One-Time / Recurrent	One-Time	Funding Source:	<input checked="" type="checkbox"/> Capital <input type="checkbox"/> On Going <input type="checkbox"/> HRA
Value Total:	Up to £3m		<input type="checkbox"/> Grant <input type="checkbox"/> General Fund
Value P/A:	Up to £3m	Statutory / Non-Statutory	Non Statutory
Cost Code	Not allocated yet CCTV Capital budget	Budget	£3.1m
Current value	N/A	Revised Annual Contract	N/A
Savings Annual Value			

Summary of how savings will be achieved

This is a capital project with a recommendation to authorise funds going to Cabinet on 29th July 2020. If authorisation is not given, procurement will not proceed. A piece of work is currently being undertaken to generate three costing models for a digital upgrade of the CCTV system. One of these models is for a 25% cost saving on the like-for-like model. A report from this work is expected by the end of September 2020 at which point a decision route will be confirmed to agree the final model.

Scope of Contract

The council works with the Metropolitan Police, Registered Social Landlords (RSLs) and other law enforcement agencies to monitor public space CCTV in the borough and support civil and criminal proceedings. It provides a CCTV service with around 350 cameras operating throughout the borough for a broad range of purposes and across a range of services. These are mainly concentrated in Community Safety, Public Realm and Licensing and are serviced by a 24hr CCTV control suite located in Mulberry Place with 70 cameras on view at any given time. The service is tasked with visually monitoring the public space and enabling a proportionate response to incidents as they occur. This can relate to street crime, vehicle theft, drug or traffic offences, anti-social behaviour, dangerous conditions and/or a major incident.

Many of these cameras have been operating for up to 13 years and using outdated analogue technology. Recently, capital funds have been agreed in the capital pipeline to finance the replacement of cameras and essential control room CCTV equipment over three years. This will also extend to improving the capacity of the CCTV network infrastructure to meet identified and emerging needs around utilising digital technologies to achieve a more effective camera deployment system.

The CCTV service was transferred to the Community Safety division in January 2019 and now forms part of the Safer Neighbourhood Operations Service. Since then, the Safer Neighbourhood Transformation Steering Group has been created. The Group oversees the governance and operational arrangements around the delivery of the service's key transformational activities to inform Mayoral and Members reporting around a visible enforcement approach and holistic partnership response. The Group is chaired by the Divisional

Director of Community Safety and is supported by members of the Corporate Programme Management Office (CPMO).

To inform the £3.1million capital expenditure proposed, the Strategy, Policy and Performance (SPP) service carried out research and local findings to assist the service in developing an underpinning and outcomes driven proposal for CCTV. As well as facilitating focus groups with youth groups, consultation sessions extended to the Mayor, the Cabinet Member for Community Safety, Directorate Leadership Teams (DLTs) and Corporate Leadership Team (CLT) to ensure the CCTV system would be most effectively deployed and measured to deliver local services.

A subsequent report on the Tower Hamlets CCTV approach was approved by the Mayor in Cabinet in June 2019. This outlined an evidenced based rationale for future CCTV delivery both in achieving its strategic priorities and as an effective tool to respond to crime and ASB, environmental crime and the safety and security of the Borough. The approval extended to agreeing 18 recommendations around strengthening the council's role with regards to CCTV on detection, investigation and public reassurance. These included:

- Expand the Council's network of HD, UHD and 4K cameras
- Consider the tactical placement of the Council's CCTV network as part of the infrastructure upgrade
- Develop clear governance accountability to monitor the effectiveness of the CCTV network

The CCTV programme will be responsible for delivering many of the recommendations proposed by Cabinet.

The CPMO carried out an initial review of CCTV with Strategy Policy Performance, Community Safety and Safer Neighbourhood Operations to scope the resource requirements for moving the work forward with an overview presented to the Safer Neighbourhood Transformation Steering Group in August 2019. This outlined several additional requirements encompassing critical procurement activities and key risks which were either not factored in or known at the time the original capital programme bid was presented. These include:

- a) Relocating and associated refitting requirements of the CCTV control suite to align with the end of lease arrangements at Mulberry Place.
- b) Carry out a cost benefit analysis on the current delivery model and propose a new future approach for the CCTV service
- c) Formalising arrangements with the supplier that currently provides the CCTV staff operators who are responsible for monitoring CCTV camera activities.
- d) Procuring the installation and maintenance of CCTV equipment for which there are no contractual arrangements in place.
- e) Implementing CCTV regulatory requirements around surveillance and use of data where an informed compliance and conformity matrix has been developed to address data protection and GDPR;
- f) Commercialisation of the CCTV service is the ambition. It will relieve pressure on the General Fund, however until we have a service that is compliant with all governance and financial regulations, this is not recommended at this stage.
- g) A clear understanding that the capital works programme is a key dependency to the transformation of the service and as such will actively support other necessary tasks including but not limited to procurement and NTH activities.

The ambitions to upgrade and digitalise the CCTV system are intertwined with the move to the new town hall as well as a need to make the CCTV system more cost effective and, ultimately, a commercially viable service. The projects are interdependent and timely delivery is required at pace in each area for full delivery of the service ambitions and the Cabinet agreed approach for the service.

The CCTV annual spend is currently in excess of the budget allocated. Much of the additional expenditure is due to the aging equipment and increasing maintenance and repair services. The proposed digital upgrade of

the system is necessary and required urgently to reduce these costs and bring the service within available budget. Capital funds for modernisation are in the capital pipeline and a detailed Project Initiation Document is being developed.

Ultimately, the service must change and generate external income to remain sustainable. This is not possible without a digital upgrade and therefore the Capital project is vital for a sustainable service that will deliver for residents. The CCTV service will move to the town hall when the Council leaves Mulberry Place. A space has been identified based upon a fully digital model of CCTV being in place at the time of relocation. Analogue equipment requires more storage space and therefore the upgrade must have progressed sufficiently by this time to ensure adequate space is available. The service must be fully digital before leaving Mulberry Place.

The CCTV Procurement paper presented to Cabinet on 29/07/20 requested authorisation of capital funds to reduce risks associated with business continuity, finance and relocation to the new Town Hall.

Contracting Approach

The digital equipment shall be procured in accordance with the Public Contracts Regulations, 2015 where invitation to tender documents shall be issued to the open market detailing the council's technical requirements and the pricing model for bidder submissions.

Community Benefits

The procurement will seek community benefits from the bidders through a requirement for them to submit a social value proposal. Bidders will be asked to demonstrate how their approach to community benefits and social value will support the council's aspirations.