

Cabinet 28 July 2021	 TOWER HAMLETS
Report of Kevin Bartle – Acting Corporate Director, Resources	Classification: Unrestricted
Contracts Forward Plan – Quarter One (FY2021-2022)	

Lead Member	Councillor Candida Ronald
Originating Officer(s)	Zamil Ahmed – Head of Procurement
Wards affected	All wards
Key Decision?	Yes
Forward Plan Notice Published	24 March 2021
Reason for Key Decision	Significant Financial Expenditure and Significant Impact on two or more wards
Strategic Plan Priority / Outcome	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 one of the current financial year. Only contracts which have not previously been reported are included in this report.

Recommendations:

The 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 above
4. Review the procurement forward plan 2021-2025 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 one 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 one 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 quarter one 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 circa £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 the contract forward plan for quarter one of 2021-22 which consists of contract values up to £184.2M for General Fund, up to £8.7M grant funded, up to £2.8M HRA funded, up to £22.6M Capital Funded and up to £2M which is reserves/pension funded.

- 6.2 All contract spend should be carried out within resources identifies and savings should be identified where possible to improve value for money and contribute to the MTFS savings.
- 6.3 The HRA contracts have been reviewed and specified to deliver the service in line with the approved budgets. Value for money is improved by offsetting market price inflation through efficiencies to maintain the cost of the new service within the existing contract budget.

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
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Linked Reports, Appendices and Background Documents

Linked Report

- None

Appendices

- Appendix 1 – new contracts planned: Q1 of the Financial Year and beyond.
- Appendix 2 - Procurement Forward Plan 2021 -2025

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: Q1 of the Financial Year and beyond.

Contract Ref & Title	CS5732 Young People (YP) Supported Living Schemes		
Procurement Category:	Health and Social Care	Contract Duration & Extensions:	5 years (3+2)
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> HRA <input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves <input type="checkbox"/> NHS CCG
Value Total:	Estimate between £6.5m – £8m		
Value P/A:	Estimate between £1.3m – £1.6m	Statutory / Non-Statutory	Statutory
Cost Code	85059	Budget	
Current value	SH Pathway = £5,731,609.40 (5 years)	Revised Annual Contract	£1.3m – £1.6m
Savings Annual Value	£400,000 one off savings by increasing the number of placements in this proposed contract and thus reducing the need for SIL placements, which are substantially more expensive. MTFs will be made from existing placement budgets across CSC.		
Summary of how savings will be achieved			
<p>This contract proposes a holistic recommission of the TH YP Supported Housing Pathway (SH Pathway) and parts of the Semi-Independent Living Framework (SIL Framework) and has a MTFs of £400k attached to it. The basic premise to achieve the financial savings is to increase the number of units commissioned as part of the SH Pathway block contract(s) and reduce the use of SIL placements. This would require an increase in the SH block contract value. However, by increasing the number of block placements at a substantially lower unit cost, this will reduce demand for more costly SIL placements (framework or spot purchase). The average cost of a high need's placement from a SIL provider on the framework is approximately £1100p/w whilst the average cost of the same type of high needs placement within the SH pathway costs £394 p/w.</p>			
<u>Scope of Contract</u>			
<p>This proposed contract will replace the current SH Pathway and increase the number of units to reduce the need to use SIL placements.</p>			
<p>The current SH Pathway contains four block contracts utilised by the Through Care Service (TCS) and Housing Options Support Team (HOST) offering support and accommodation for care leavers and YP at risk of homelessness between the ages of 16 to 25.</p>			
Current contracts:			
CS5273	Young People Assessment & Support Service		
AHS5147	Tower Hamlets North Young Persons Support Service		
AHS5146	Mile End Road Young Persons Support Service		
AHS5145	Tower Hamlets Campbell Road Young People's Support Service		
<p>The YP Assessment & Support Service contract acts as the entrance to the SH Pathway assessing YP unknown to Children's Social Care (CSC) to identify their support needs. The other three service contracts deliver a wide variety of support, ranging from high support placements (staff on site during the day and concierge overnight/ or sleep in staff), medium support placements (staff on site during the day), to low support placements (visiting support of managed properties), as well as a floating support provision.</p>			

In parallel to the SH Pathway, the CS5387 SIL Framework, utilised by the TCS and Children's Placement Team (CPT), offers support and accommodation for looked after children (LAC) and care leavers (CL) between the ages of 16 to 21. As stated, this provision is significantly more costly.

The Children's Integrated Commissioning Team (CICT) is proposing to align the end of all contracts that make up the SH Pathway and SIL Framework to 31/07/2022. This will enable a holistic recommission of the contracts to better meet the needs of our vulnerable YP by increasing the number of units within this proposed block contract, as well as achieving MTFs.

The SH Pathway and SIL Framework contain high value contracts that enable CSC and Housing to place our YP in safe and quality placements. The proposed contracts align with the TH Children & Families strategy 2019-2024, especially with:

Priority 1: Aspiration to action. CYP have the skills to prepare for their future.

Priority 3: Safe and Secure. CYP feel safe and are safe where they live, work, play and study.

Contracting Approach

It is proposed to align the end of all contracts to 31/07/2022 to review the current model and specifications. To do this the YP Assessment & Support Service (CS5273), that currently ends on 30/09/2021, will need to be extended for 10 months.

The provider of the YP Assessment & Support service, One Housing Group is open to extend the current contract to July 2022 subject to their uplift request of £12,524 for the period of 30th September 2021 to 31st July 2022 (£204,166.60 + £12,524 uplift = £216,690).

Cabinet is requested the approval of a contract extension of 10 months and the uplift for CS5273 to align all contracts enabling a holistic recommission aiming to merge the contracts (4 contracts of current SH pathway + a part of the SIL framework) to obtain better quality and savings.

An Internal Working Board (led by CSC, CICT and Housing) has been initiated to oversee the recommission and identify the best commissioning model to meet the needs of our CYP. This would enable an increase in the number of placements to better meet the demand as well as ensuring a decrease in spent on SIL placements (framework and spot purchases). Based on CICT experience, block contracts enable tighter contractual Q&A ensuring safe and quality placements whilst achieving better value for money.

Any other ad hoc YP placement need will be covered by the SIL Framework that will be re-procured alongside with a reduced budget through either a TH procurement exercise or by joining a partnership such as the Commissioning Alliance.

Community Benefits

The successful bidder will be required to submit economic and community benefits for local residents as part of the tender. This is anticipated to include local recruitment, apprenticeships, attendance at job fairs and community involvement.

Contract Ref & Title	CS5755: LBTH Framework Agreement for Parks Space Ice Cream Van and Mobile Café Concessions		
Procurement Category:	Corporate Services	Contract Duration & Extensions:	4 years
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> HRA <input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves <input type="checkbox"/> NHS CCG
Value Total:	£242,000		
Value P/A:	£60,500	Statutory / Non-Statutory	Non Statutory
Cost Code	R9209.49349.A0626	Budget	N/A
Current value	£242,228	Revised Annual Contract	£242,228
Savings Annual Value	N/A		

Summary of how savings will be achieved

Note this is a concession contract generating income for the Parks section

Scope of Contract

LBTH Parks Section receives a number of enquiries each year for concessions such as ice cream van operators and mobile cafe operators who wish to trade from one of the Borough's Parks. Most wish to trade at Victoria Park as it has one of the highest footfalls.

Establishing another Framework will enable the Council to issue Ice cream and Mobile café pitch licenses, where contracts have expired and are now vacant, to framework suppliers for bidding via a further competition process and award the pitch to the highest scoring bidder. This Framework agreement will be for a maximum term of 4 years.

Contracting Approach

This is an income generating contract which will be advertised through an Open procurement process via the Council's e-tendering portal (Pro Contract), Contract's Finder and the Council's website. Suppliers that meet the criteria in the framework specification will successfully get onto the Framework and be able to submit bids for Ice cream and or Mobile café pitches.

Social Value Benefits

Note this is a concession contract generating income for the Parks Section. The mini-competition tenders will be issued with the Social Value Matrix with a 5% weighting in anticipation of securing community benefits for local residents.

Contract Ref & Title	CS5733: Supply Frozen Food & Groceries		
Procurement Category:	Corporate Services	Contract Duration & Extensions:	12 months
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> HRA <input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves <input type="checkbox"/> NHS CCG
Value Total:	£1,350,000		
Value P/A:	£1,350,000	Statutory / Non-Statutory	Statutory
Cost Code	87100	Budget	87100

Current value	£1,675,240	Revised Annual Contract	£996,235
Savings Annual Value	£28,525 Primary School + £325,240 Secondary Schools		

Summary of how savings will be achieved

The value difference in 'expected' savings is largely due to the loss of Secondary schools and some primary schools no longer in contract with Contract Services.

Scope of Contract

This procurement is for the supply of groceries including frozen and ambient produce. A new contract has been awarded via ESPO to Thomas Ridley and Son, Ltd for 1 year from 1 January 2021. The Council's (Contract Catering Services) method for the procurement of the Frozen food and groceries has been through PAL (Procurement Across London) group. The London Borough of Havering's Procurement Team (One Source) leads on the procurement process on behalf of the group which includes 6 councils as follows:

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

Contracting Approach

The Council's current contract agreement was jointly procured via the YPO framework and this expired on 31st December 2020. In order to ensure there would be no interruption to the supply chain to the 6 collaborative partner councils from 1st January 2021 and beyond, Havering sought approval via One Source to proceed with a direct contract award via ESPO framework number 83_17. Grocery, Frozen and Multi-temperature Framework Agreement. Approval was given by Havering Council and a 1 year contract was awarded to the incumbent supplier. The potential combined contract value is £9,000,000 per annum. Each participating member is responsible for their respective call-off agreements and all enter into separate call-off contracts: There is no commitment regarding the volume or value of orders which will be placed with the supplier.

Social Value Benefits

There is a requirement that all products sourced via the framework will have come from a sustainable process in accordance with the standards set by the Soil Food for Life organisation. This method of procurement (through PAL contracts) 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 rebate negotiated for the frozen & grocery food contract is significant and helps to meet the increasing employee costs due to the Council's commitment to the London Living Wage.

Contract Ref & Title	G5674: Healthwatch		
Procurement Category:	Care & Commissioning	Contract Duration & Extensions:	4 Years (2+1+1)
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input type="checkbox"/> HRA <input checked="" type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value Total:	£682,920.80		
Value P/A:	£170,730.20	Statutory / Non-Statutory	Statutory
Cost Code	21178	Budget	£170,730.20

Current value	£179,716	Revised Annual Contract	£170,730.20 £83115.20 General Fund & £87,615 Grant funding from Local Reform and Community Voices Grant (Dept Health and Social Care)
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Savings Annual Value £8,985.80

Summary of how savings will be achieved

The proposal is a reduce budget by 5% so that it contributes towards the Council's overall savings target £35,943.20 (total value). This will help a local Healthwatch service to deliver on capturing and amplifying the residents voice on NHS and social care issues, providing information / signposting access and highlighting the impact on residents and service users arising from the ongoing pandemic. It also benchmarks well against neighbouring boroughs while allowing for further savings in future years without compromising on the integrity of a Tower Hamlets Healthwatch service to be an effective advocate for residents and communities.

Scope of Contract

The Health and Social Care Act 2012 requires the Council to establish a local Healthwatch Service who role is to:

1. Provide information, signposting and advice to the public about accessing health and social care services and choices in relation to aspects of those services;
2. Obtain the vies of people about their needs for and experience of local care services and make those views known to those involved in the commissioning, provision and scrutiny of care services.
3. Promote and support the involvement of people in the monitoring, commissioning and provision of local care services;
4. Influence the commissioning and provision of services through producing evidenced-based reports and recommendations about how those services could or should be improved. Local Healthwatch have a statutory seat on the local Health and Wellbeing Board to help them to do this effectively;
5. Make the views and experiences of people known to Healthwatch England helping it to carry out its role as national champion;
6. Make recommendations to Healthwatch England to advise the Care Quality Commission to carry out special reviews or investigations into areas of concern.

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 'Light Touch' regime of Regulations 74 to 77 of the Public Procurement (Amendment etc.) (EU Exit) (No.2) Regulations 2019. The Council will undertake early market engagement with the intention to both steer wider competition and seek feedback from suppliers on the intended outcomes and approach.

Social Value Benefits

Healthwatch will be to work with local people as volunteers to ensure their voice and concerns are reflected in service planning, design and delivery. Providing volunteering opportunities for local people will help to establish tangible work experience within the sector.

Contract Ref & Title	HAC5739: LD Supported Living Scheme 1		
Procurement Category:	Care & Commissioning	Contract Duration & Extensions:	3 years plus 1 plus 1 (3+1+1)
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> HRA
Value Total:	£1,024,550 - £1,974,550		<input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves <input type="checkbox"/> NHS CCG

Value P/A:	£204,910 - £394,910	Statutory / Non-Statutory	Statutory
Cost Code	R5600-30183-A2559 CLDS Cost Code tbc	Budget	£204,910 (LD Block Commissioning Support) + £190,000 (CLDS operational budget)
Current value	£204,910	Revised Annual Contract	£204,910 - £394,910
Savings Annual Value	Nil		

Summary of how savings will be achieved

Savings will not be made directly from this contract value due to the need to ensure London Living Wage is applied. As a 24-hour scheme (which includes the provision of waking night) we would not be able to pay the LLW if we were to reduce the contract value.

Efficiencies will be delivered by retaining the level of provision at its current rate and expanding the contract to incorporate Spot and Outreach hours, currently delivered outside of this contractual arrangement and paid for from CLDS operational budget. The LD block supporting budget and CLDS operational budget will be pooled/amalgamated for the purpose of this tender and the cost envelope increased to incorporate the additional Spot and Outreach hours that will be provided within this contract.

Incorporating Spot and Outreach support into this contract will allow for some savings to be made which will be offset against the Supporting Independence programme savings targets of £700k and broader learning disability operational budget recovery.

The value total and value P/A figures noted above includes additional Spot and Outreach spend that will be incorporated into this contract from the CLDS operational budget and for which definitive hours and costs will be set prior to tender.

Scope of Contract

The support service at these two sites is provided as part of the Borough's statutory responsibilities for service users with a Learning Disability. Both sites provide high levels of support to individuals who have a broad range of support needs and is accessible to people with challenging behaviour and autism.

The support service offered across both sites will be tailored, flexible and person centred and provide shared and self-contained accommodation and support to 15 people (currently 7 at one site and 8 at the other). Each site will deliver life skills development support to prepare people to move on to accommodation with less support when they are ready and able to do so, thereby creating a throughput into supported living. Staff are deployed across both sites where 24hour care and support is delivered 7 days a week that is suitable for individuals with high and complex needs. A waking night provision is available to both sites. Referrals into the service must be made by Tower Hamlets Community Learning Disability Service (CLDS).

Through the delivery of supported accommodation that is safe and effective, both sites will focus on the enablement and maximising of independence for adults with learning disability that enables people to participate in community life. In doing so preventing the unnecessary use of more institutional forms of care.

When retendered, the contract will include provision for Spot and Outreach support hours which are currently provided outside the existing contract arrangements. The cost for these additional Spot and Outreach hours will be met from the CLDS budget.

This procurement is an opportunity to bring supported living, Outreach and Spot support hours into one amalgamated contract with one overall cost, thus allowing for some efficiencies and savings to be made. This may require a further contract to be added to cover outreach support.

Contracting Approach

We will undertake an open tender process inviting bids from support providers with experience of supporting service users with Learning Disabilities. A supplier event will be held to allow bidders to seek clarification and guidance on the tender process and their submission.

It is the intention to have a single procurement exercise where contracts HAC5739, HAC5740 and HAC5741 will be procured together as Lots. However, the Council is undertaking a market research exercise to identify landlords that have suitable accommodation for the delivery of these services. If no buildings are identified, schemes under HAC5739 and HAC5740 will be proposed for direct award on a separate report to Cabinet as the landlords of those buildings have expressed their intention to retain the current provider.

The tender will offer a 3 plus 1 plus 1 contract (3+1+1) to give both stability to service users and providers and facilitate changes that focus on meeting future as well as current need.

In order to facilitate the joint procurement with the abovementioned contracts, we are also requesting authority to extend this contract currently provided under AHS5141 for 9 months to 30th June 2022 for a value of £157,426, allowing time to implement a joint re-procurement exercise.

Social Value Benefits

Bidders will be required to submit economic and community benefits for local residents as part of the tender. This is anticipated to include local recruitment, apprenticeships, attendance at job fairs and community involvement.

Contract Ref & Title	HAC5740: LD Supported Living Scheme 2		
Procurement Category:	Care & Commissioning	Contract Duration & Extensions:	3 years plus 1 plus 1 (3+1+1)
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> HRA <input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves <input type="checkbox"/> NHS CCG
Value Total:	£1,600,090 - £3,100,100		
Value P/A:	£320,018 - £620,020	Statutory / Non-Statutory	Statutory
Cost Code	R5600-30183-A2559 CLDS Cost Code tbc	Budget	£320,018 (LD Block Commissioning Support) + £300,000 (CLDS Spot)
Current value	£320,018	Revised Annual Contract	£320,018 - £620,020
Savings Annual Value	Nil		

Summary of how savings will be achieved

Savings will not be made directly from this contract value due to the need to ensure London Living Wage is applied. As a 24-hour scheme (which includes the provision of night support) we would not be able to pay the LLW if we were to reduce the contract value.

Efficiencies will be delivered by retaining the level of provision at its current rate and expanding the contract to incorporate Spot and Outreach hours, currently delivered outside of this contractual arrangement and paid for from CLDS operational budget. The LD block supporting budget and CLDS operational budget will be pooled/amalgamated for the purpose of this tender and the cost envelope increased to incorporate the additional Spot and Outreach hours that will be provided within this contract.

Incorporating Spot and Outreach support into this contract will allow for some savings to be made which will be offset against the Supporting Independence programme savings targets of £700k and broader learning

disability operational budget recovery.

Note: The value total and value P/A figures noted above includes additional Spot and Outreach spend that will be incorporated into this contract from the CLDS operational budget and for which definitive hours and costs will be set prior to tender.

Scope of Contract

The support service at these two sites is provided as part of the Borough's statutory responsibilities for service users with a Learning Disability. Both sites provide high levels of support to individuals who have a broad range of support needs and is accessible to people with challenging behaviour and autism.

The support service offered across both sites will be tailored, flexible and person centred and provide shared accommodation and support to 10 people (5 at each site). Each site will deliver life skills development support to prepare people to move on to accommodation with less support when they are ready and able to do so, thereby creating a throughput into supported living. Staff are deployed across both sites where 24-hour care and support is delivered 7 days a week that is suitable for individuals with high and complex needs. Night support provision is available at each site. Referrals into the service must be made by Tower Hamlets Community Learning Disability Service (CLDS).

Through the delivery of supported accommodation that is safe and effective, both sites will focus on the enablement and maximising of independence for adults with learning disability that enables people to participate in community life. In doing so preventing the unnecessary use of more institutional forms of care.

When retendered, the contract will include provision for Spot and Outreach support hours which are currently provided outside the existing contract arrangements. The cost for these additional Spot and Outreach hours will be met from the CLDS budget.

This procurement is an opportunity to bring supported living, Outreach and Spot support hours into one amalgamated contract with one overall cost, thus allowing for some efficiencies and savings to be made. This may require a further contract to be added to cover outreach support.

Contracting Approach

We will undertake an open tender process inviting bids from support providers with experience of supporting service users with Learning Disabilities. A supplier event will be held to allow bidders to seek clarification and guidance on the tender process and their submission.

It is the intention to have a single procurement exercise where contracts HAC5739, HAC5740 and HAC5741 will be procured together as Lots. However, the Council is undertaking a market research exercise to identify landlords that have suitable accommodation for the delivery of these services. If no buildings are identified, schemes under HAC5739 and HAC5740 will be proposed for direct award on a separate report to Cabinet as the landlords of those buildings have expressed their intention to retain the current provider.

The tender will offer a 3 plus 1 plus 1 contract (3+1+1) to give both stability to service users and providers and facilitate changes that focus on meeting future as well as current need.

In order to facilitate the joint procurement with the abovementioned contracts, we are also requesting authority to extend this contract currently provided under AHS5144 for 9 months to 30th June 2022 for a value of £244,814, allowing time to implement a joint re-procurement exercise.

Social Value Benefits

Bidders will be required to submit economic and community benefits for local residents as part of the tender. This is anticipated to include local recruitment, apprenticeships, attendance at job fairs and community involvement..

Contract Ref & Title	HAC5741: Tower Hamlets Learning Disability Service		
Procurement Category:	Care & Commissioning	Contract Duration & Extensions:	3 years plus 1 plus 1 (3+1+1)
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> HRA <input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves <input type="checkbox"/> NHS CCG
Value Total:	£1,733,165 - £3,070,840		
Value P/A:	£346,633 - £614,168	Statutory / Non-Statutory	Statutory
Cost Code	R5600-30183-A2559 CLDS Cost Code tbc	Budget	£346,633 (LD Block Commissioning Support) + £267,535 (CLDS spot purchase budget)
Current value	£346,633	Revised Annual Contract	£346,633 - £614,168
Savings Annual Value	Nil		

Summary of how savings will be achieved

Savings will not be made directly from this contract value due to the need to ensure London Living Wage is applied. As a 24-hour scheme (which includes the provision of waking night) we would not be able to pay the LLW if we were to reduce the contract value.

Efficiencies will be delivered by retaining the level of provision at its current rate and expanding the contract to incorporate Spot and Outreach hours, currently delivered outside of this contractual arrangement and paid for from CLDS operational budget. The LD block supporting budget and CLDS operational budget will be pooled/amalgamated for the purpose of this tender and the cost envelope increased to incorporate the additional Spot and Outreach hours that will be provided within this contract.

Incorporating Spot and Outreach support into this contract will allow for some savings to be made which will be offset against the Supporting Independence programme savings targets of £700k and broader learning disability operational budget recovery. The value total and value P/A figures noted above includes additional Spot and Outreach spend that will be incorporated into this contract from the CLDS operational budget and for which definitive hours and costs will be set prior to tender.

Scope of Contract

The support service at these two distinct sites is provided as part of the Borough's statutory responsibilities for service users with a Learning Disability. Both sites provide high levels of support to individuals who have a broad range of support needs and is accessible to people with challenging behaviour and autism.

The support service is required to deliver tailored, flexible person-centered support to individuals with a broad range of needs and will be accessible to people with challenging behavior. Each site will provide shared accommodation and life skills development support to 13 people (7 at one site and 6 at the other) to prepare and enable them to move on from the service to other accommodation with less support when they are ready to do so, freeing up space for people living out of borough to be referred into these services. Staff are deployed across both sites where 24-hour care and support is delivered 7 days a week. Waking night provision is available at both sites.

Through the delivery of supported accommodation that is safe and effective, both sites will focus on the enablement and maximising of independence for adults with learning disability that enables people to participate in community life. In doing so preventing the unnecessary use of more institutional forms of care.

When retendered, the contract will include provision for Spot and Outreach support hours which are currently provided outside the existing contract arrangements. The cost for these additional Spot and Outreach hours will be met from the CLDS budget.

This procurement is an opportunity to bring supported living, Outreach and Spot support hours into one amalgamated contract with one overall cost, thus allowing for some efficiencies and savings to be made. This may require a further contract to be added to cover outreach support.

Contracting Approach

We will undertake an open tender process inviting bids from support providers with experience of supporting service users with Learning Disabilities. A supplier event will be held to allow bidders to seek clarification and guidance on the tender process and their submission.

It is the intention to have a single procurement exercise where contracts HAC5739, HAC5740 and HAC5741 will be procured together as Lots. Representatives from Integrated Commissioning and the Community Learning Disability Service (CLDS) will be invited to be members of the tender panel, who will review and evaluate submissions against the service specification requirements to ensure that the most economically advantageous bidders are selected for future delivery of the service

Service users will be invited to evaluate the service user involvement and choice criterion of submissions which bidders will be asked to produce in easy read format. The tender will offer a 3 plus 1 plus 1 contract (3+1+1) to give both stability to service users and providers and facilitate changes that focus on meeting future as well as current need.

Social Value Benefits

Bidders will be required to submit economic and community benefits for local residents as part of the tender. This is anticipated to include local recruitment, apprenticeships, attendance at job fairs and community involvement.

Contract Ref & Title	HAC5744: Domiciliary and Personal Care Services		
Procurement Category:	Care & Commissioning	Contract Duration & Extensions:	4 + 1 year
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> HRA <input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund <input checked="" type="checkbox"/> S106 <input type="checkbox"/> Reserves <input type="checkbox"/> NHS CCG
Value Total:	£140,860,000 inclusive of annual LLW increase of approx. £150,000 per year - Adults £3,500,000 Plus London Living Wage increase per year – Children’s		
Value P/A:	£28,022,000, plus annual London Living Wage (LLW) increase of approx. £150,000 per year – Adults £700,000 plus annual London Living Wage (LLW) increase – Children	Statutory / Non-Statutory	Statutory
Cost Code	R5600 30127 A1862	Budget	See cost code
Current value	£28,022,000	Revised Annual Contract	£28.7m to include all integrated
Savings Annual Value	NA		
Summary of how savings will be achieved			

Savings will inherently be built into the new contracts with existing budgets remaining as – is, with no increases proposed. Contract is based on demand.

Scope of Contract

The objective of this procurement is to replace the existing domiciliary and personal care service contracts. The current contracts will expire on 6th February 2022. Domiciliary and personal care services are commissioned as a key means of meeting the Councils statutory duties to provide services under Community Care and Children’s law. The current contracts were let in 2016 and had a geographical locality-based focus designed to maximise efficiency and to align providers with wider integrated care with NHS partners. Feedback from various sources is that partnership working has vastly improved since the advent of locality working in late 2018. Relationships have been built and key information is routinely shared as necessary amongst partner organisations. This has led to improved quality of care and better outcomes for service users.

The current contract also significantly reduced the number of providers delivering the main contracts and this has allowed for improved providers strength and better local knowledge. The Council also chose to join up to the Ethical Care Charter, to improve the expectation of quality and levels of pay for staff. The intention of the new contracts is to build upon the positives outlined above while focusing on new areas of improvement including:

- Embedding an outcomes-based approach
- Personalisation
- Better integration with health
- Improved financial efficiency

The new contracts specification will be produced following engagement with local people to ensure that the intended improvements meet the needs of those using and interacting with the services.

The total value of the contracts will be £28,022,000, plus the annual London Living Wage (LLW) increase of approx. £150,000 per annum for adults and £700,000 plus the annual London Living Wage (LLW) increase for children and the proposed term is up to 5 years. The length of the contracts reflects the Council’s desire to work with providers who, alongside providing quality care, are also able to become strategic partners working alongside our adult social care teams. The length of contracts and value will also ensure that the contracts are attractive to home care providers ranging in size from small local providers, to medium-sized local providers, to regional providers, and even national providers and should not exclude any part of the market.

Contracting Approach

This procurement will follow a competitive procurement process in line with the Councils procurement Procedures and Public Contract Regulations Light Touch Regime. The contract will be a mixture of guaranteed and ad – hoc as ordered work so the contract will not be a framework agreement.

Community Benefits

Bidders will be required to submit economic and community benefits for local residents as part of the tender. This is anticipated to include local recruitment, apprenticeships, attendance at job fairs and community involvement.

Contract Ref & Title	HAC5750 Mental Health Supported Living (3 schemes)		
Procurement Category:	Care & Commissioning	Contract Duration & Extensions:	3 + 2 years
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> HRA <input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves <input type="checkbox"/> NHS CCG
Value Total:	£6,374,655		

Value P/A:	£1,274,931	Statutory / Non-Statutory	Non Statutory
Cost Code	R5600-33201-A2559	Budget	£1,274,931
Current value	£1,274,931	Revised Annual Contract	£1,274,931
Savings Annual Value	This contract is linked to 2 MTFS savings targets totalling £571,286		

Summary of how savings will be achieved

MTFS Savings target of £571,286 to be delivered through repatriation of out of Borough placements, these placements will be transferred to units under this contract.

Scope of Contract

This contract is intended for service users with a mental ill-health. With an emphasis on supporting the transition for service users who may have had a significant admission to institutional care, the contract will have a strong focus on supporting service users with their journey towards recovery and independence. The services will provide support that is tailored and flexible and delivered in accordance with individual's needs to service users who are subject to a Care Act assessment upon admission, to assist them to develop and maintain maximum levels of independence.

This contract seeks to offer three individual accommodation schemes:

1) no less than 19 units of supported accommodation split between offering high support and step down provision. The services are required to ensure there is a psychological and physical distinction between the high support and move on/stepdown units ensuring that staff and service users are able to clearly identify the step down schemes as a step on their journey along the pathway to greater independence. The emphasis of the service is on preparing individuals to move on to independence and from the outset of an individual's tenancy the focus of the support is on preparing them for their journey of independence over an agreed period of time. Generally up to 2 years in high support and 2 years in step down facility. A support service is provided 24 hours a day 365 days per year with tailored flexible support delivered in accordance with need

2) no less than 36 units of high support accommodation with a minimum of 8 units having sufficient facilities to provide regulated care activities including but not limited to: personal care, meal provision and appointeeships. This contract does not include a built in step down function and is designed to support those with multiple and enduring needs.

3) no less than 39 units of supported accommodation split between high support and step down, with a minimum of 20 units offering high support. As per lot one, there should be a physical and psychological distinction between high support and step down units. The service will provide a stepping stone from residential care, from or to other supported accommodation, to enable discharge from hospital, or to prevent hospital admission - supporting the individual's recovery along the accommodation pathway and into independent living. The inclusion of this scheme is subject to landlord lease negotiation which is underway.

These contracts will help achieve the Tower Hamlets Health and Well-being Board's vision for improving outcomes for people with mental health problems in the borough and takes a life course approach considering how the population can be supported to be mentally healthy "from cradle to grave". Outcomes for these services will demonstrate the 6 shared objectives of the strategy which are:-

1. More people will have good mental health
2. More people with mental health problems will recover
3. More people with mental health problem will have good physical health
4. More people will have a positive experience of care and support
5. Fewer people will suffer avoidable harm
6. Fewer people will experience stigma and discrimination.

The service will primarily benefit service users through the provision of structured person centered support which will enable them to integrate in the mainstream society. Residents could benefit from employment/training opportunities offered or funded by potential providers.

Contracting approach

The preferred procurement approach is to undertake an open tender under the Light Touch Regime with three individual lots inviting bids from support providers with experience of supporting service users with Mental Health Needs. Commissioners will undertake a market engagement/bidders briefing session as part of the tender process.

Representatives from Integrated Commissioning and the Community Mental Health Teams will be invited to be members of the tender panel, reviewing the specification and evaluating submissions to ensure that the most economically advantageous tender is selected for future delivery of the service

Social Value Benefits

Bidders will be required to submit economic and community benefits for local residents as part of the tender. This is anticipated to include local recruitment, apprenticeships, attendance at job fairs and community involvement.

Contract Ref & Title	HAC5751: Independent Mental Health Advocacy		
Procurement Category:	Care & Commissioning	Contract Duration & Extensions:	3+2 years
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> HRA
Value Total:	1,032,440 (386,220 funded by THCCG)		<input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund
Value P/A:	£206,488 (£77,244 is funded by THCCG)	Statutory / Non-Statutory	<input type="checkbox"/> S106 <input type="checkbox"/> Reserves <input checked="" type="checkbox"/> NHS CCG
Cost Code	R5600-33201-A2103	Budget	£206,488 (£77,244 is funded by THCCG)
Current value	£206,488 (£77,244 is funded by THCCG)	Revised Annual Contract	£206,488 (£77,244 is funded by THCCG)
Savings Annual Value	0		

Summary of how savings will be achieved

This contract has delivered £70,000 direct savings to the local authority achieved in 2019/2020 reducing the Local Authority funding contribution by 10% from 72% to 62% of the total contract value. Additional value of money will be achieved through specification remodelling to enable the IMHA service to meet increasing demands and continue to deliver a high-quality statutory advocacy support.

Scope of the contract

The London Borough of Tower Hamlets (LBTH) in partnership with NHS Tower Hamlets Clinical Commissioning Group (THCCG) require a high quality, Independent Mental Health Advocacy (IMHA) service to meet the councils statutory duties under section 43 of the health and social care act 2012: to make arrangements to enable ‘independent mental health advocates’ to be available to support qualifying patients in accordance with section 130A of the Mental Health Act (as amended), deliver care act advocacy and a non-statutory inclusive mental health advocacy service (MHAS) for people with mental ill-health in Tower Hamlets.

This involves supporting qualifying patients to obtain information about and understand the following key services:

- Their rights under the Mental Health Act and how they can be exercised.

- The rights which other people (e.g. nearest relatives) have in relation to them under the Act.
- The particular parts of the Act which apply to them (e.g. the basis on which they are detained) and which therefore make them eligible for advocacy.
- Any conditions or restrictions to which they are subject (e.g. as a condition of leave of absence from hospital, as a condition of a community treatment order, or as a condition of conditional discharge)
- Any medical treatment that they are receiving or might be given, the reasons for that treatment (or proposed treatment), the legal authority for providing that treatment, and the safeguards and other requirements of the Act which would apply to that treatment.
- The requirements of the Act which apply, or would apply, in connection with the giving of the treatment.
- Their rights under the Care Act 2014.
- Help by way of representation in exercising these rights.

This contract will help achieve the Tower Hamlets Health and Well-being Board's vision for improving outcomes for people with mental health problems in the borough and takes a life course approach considering how the population can be supported to be mentally healthy "from cradle to grave". Outcomes for these services will demonstrate the 6 shared objectives of the strategy which are:-

1. More people will have good mental health
2. More people with mental health problems will recover
3. More people with mental health problem will have good physical health
4. More people will have a positive experience of care and support
5. Fewer people will suffer avoidable harm
6. Fewer people will experience stigma and discrimination.

The tender will offer a 3 plus 2 contract which will give both stability to the service and facilitate changes and focusing to meet future as well as current need. The proposed contract length provides sufficient time for the pathway to be developed and the new specification delivered. The proposed contract length is designed to ensure the ability of the provider to deliver a continuity of service, and build a high quality service to deliver the statutory requirements of the authority. This is in line with previous contracting approaches.

The Advocacy Service has demonstrated it plays a critical role in enabling people with mental health problems to maximise independence and minimise long term dependence by focusing on their abilities and increasing their control to make appropriate decisions in their treatment and care arrangements. The Service, therefore, helps to address the wider agenda on health inequalities and will provide support and help to people eligible for an advocacy service from either the CCG or the Council in Tower Hamlets. The service will primarily benefit service users through the provision of structured person advocacy to enable them to navigate mainstream. Residents could benefit from employment/training opportunities offered or funded by potential providers.

Contracting approach

The Council will undertake an Open Tender under the Public Contract Regulations Light Touch Regime inviting bids from support providers with experience of supporting service users with Mental Health Needs. If required, commissioners will undertake a market engagement/bidder briefing as part of the tender process.

Representatives from Integrated Commissioning and the Community Mental Health Teams will be invited to be members of the tender panel, reviewing the specification and evaluating submissions to ensure that the most economically advantageous tender is selected for future delivery of the service.

Social Value Benefits

Bidders will be required to submit economic and community benefits for local residents as part of the tender. This is anticipated to include local recruitment, apprenticeships, attendance at job fairs and community involvement.

Contract Ref & Title	HAC5752 Independent Living Community Support (ILCS)		
Procurement Category:	Care & Commissioning	Contract Duration & Extensions:	3+2 years
One-Time / Recurrent	One-Time	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> HRA <input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves <input type="checkbox"/> NHS CCG
Value Total:	£2,750,000		
Value P/A:	£550,000	Statutory / Non-Statutory	Statutory
Cost Code	R5600-33201-A2559	Budget	£2,750,000
Current value	£550,000	Revised Annual Contract	£550,000
Savings Annual Value	0		

Summary of how savings will be achieved

MTFS Savings target of £571,286 to be delivered through repatriation of out of Borough placements. These placements will be supported under this contract.

Scope of Contract

The service assists people to develop or maintain their independence within their own homes, thus preventing the otherwise unnecessary use of more institutional forms of care and hospital admission; by providing recovery orientated floating support to individuals, the majority of whom are currently subject to Care Programme Approach arrangements/ Care act assessment. Service users may have a forensic history, including those on section 41 of Mental Health Act, MAPPA clients and those with serious mental illness or dual diagnosis- substance misuse and mental health issues.

The service focuses on engaging with and assisting service users to make good use of the community mental health services available to them whilst developing the knowledge, life skills and ability to manage and sustain a tenancy successfully.

These objectives are achieved by;

- Providing a recovery focused service putting in place a structured timetable that ensures the core tasks required to keep service users well and safe are fulfilled.
- Delivery of crisis intervention and support to service users who require short term support to deal with a crisis or challenge that they are experiencing. The level of support depends on individual need and will range from one hour a week, with no upper limit.
- Personalised service user lead support.
- Providing creative options for supporting service users to maintain healthy lifestyles, and eat nutritiously, access education, employment and training (EET), structured support to prepare for independent living and support with legal matters are areas that have been identified as important to service users.
- Support those existing supported living to move on via the boroughs general needs housing quota. Through structured process of nominations and assessment, ILCS provides a further 6 months transitional support.
- Offer opportunities for service users to meet together, developing options for peer support and appropriate facilitated support groups relating to key areas or tasks.
- Recognising and addressing the personalisation agenda, developing more flexible and innovative

approaches to service delivery for people who live in their own homes, whilst simultaneously driving up efficiency and effectiveness in the use of resources.

This contract will help achieve the Tower Hamlets Health and Well-being Board's vision for improving outcomes for people with mental health problems in the borough and takes a life course approach considering how the population can be supported to be mentally healthy "from cradle to grave". Outcomes for these services will demonstrate the 6 shared objectives of the strategy which are:-

1. More people will have good mental health
2. More people with mental health problems will recover
3. More people with mental health problem will have good physical health
4. More people will have a positive experience of care and support
5. Fewer people will suffer avoidable harm
6. Fewer people will experience stigma and discrimination.

The tender will offer a 3 plus 2 contract which will give both stability to the service and facilitate changes and focusing to meet future as well as current need. The proposed contract length provides sufficient time for the pathway to be developed and the new specification delivered. The proposed contract length is designed to ensure the ability of the provider to deliver a continuity of service, and build a high quality service to deliver the statutory requirements of the authority. This is in line with previous contracting approaches.

The service will primarily benefit service users through the provision of structured person centered support which will enable them to integrate in the mainstream society and prevent the need for hospital admission and/ or reliance on higher costs social care intervention. Residents could benefit from employment/training opportunities offered or funded by potential providers.

Contracting approach

The Council will undertake an Open Tender under the Public Contract Regulations Light Touch Regime inviting bids from support providers with experience of supporting service users with Mental Health Needs. If required, commissioners will undertake a market engagement/bidders briefing as part of the tender process. Representatives from Integrated Commissioning and the Community Mental Health Teams will be invited to be members of the tender panel, reviewing the specification and evaluating submissions to ensure that the most economically advantageous tender is selected for future delivery of the service.

Social Value Benefits

Suppliers will be required to outline their community benefit commitment which will be measured and monitored throughout the lifetime of this contract.

Contract Ref & Title	HAC5753: Tower Hamlets Floating Support		
Procurement Category:	Care & Commissioning	Contract Duration & Extensions:	3 + 2 years
One-Time / Recurrent	One-Time	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> HRA
Value Total:	£1,249,895		<input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves <input type="checkbox"/> NHS CCC
Value P/A:	£249,979	Statutory / Non-Statutory	Non Statutory
Cost Code	10600 R5500 A05630	Budget	Integrated Commissioning
Current value	£503,281	Revised Annual Contract	£249,979

Savings Annual Value	£253,202
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Summary of how savings will be achieved

The service has been remodelled during its final year to achieve the savings requirements of £250,000

Scope of Contract

Tower Hamlets floating Support Service supports 106 vulnerable people aged 16 years and over, delivering preventative interventions supporting those most at risk, reducing homelessness and the need for higher care or support provision. The service delivers focused support and works to reduce and manage:

- Eviction from existing tenancies including due to hoarding
- Mental health relapse
- Substance misuse relapse
- Breakdown of support networks e.g. family, advocacy, health
- Domestic Violence
- Offending and entry into the criminal justice system
- Street homelessness

The service is a core component of the Borough's approach to tackling and preventing homelessness, working in partnership with the hostels sector, HOST, Drug and Alcohol Action Team (DAAT), and Street Outreach, for example and plays a significant role in forging links across such services.

The service will support the borough in the delivery of a number of key strategic priorities, including:

- London Borough of Tower Hamlets Hostels Commissioning Plan 2019 – 2022
- Homelessness and Rough Sleeping Strategy 2018 -2023.
- Tower Hamlets Violence Against Women and Girls Strategy 2019 -2024
- Tower Hamlets Together Shared Outcomes Framework and the 2018 -2023 Tower Hamlets Partnership Plan.
- Tower Hamlets Mental Health Strategy 2019 -2024.
- Care Act 2014

Contracting Approach

The service will be procured by way of an open tender for a total of a 5-year term to give stability to the provision. The procurement will consider both quality and price in the assessment process and will be awarded on a fixed cost basis. The service will be subject to annual reviews and in year 3 officers will be required to gain authority to extend the contract for the additional 2-year term. The maximum budget being £1,249,895.

Social Value Benefits

The successful bidder will be required to evidence and commit to securing economic and community benefits for local residents. This is anticipated to include local recruitment, apprenticeships, attendance at job fairs and community involvement.

Contract Ref & Title	HAC5758: Linkage Plus		
Procurement Category:	Care & Commissioning	Contract Duration & Extensions:	3+1+1 year
One-Time / Recurrent	One-Time	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> HRA
Value Total:	£3,216,890		<input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund
Value P/A:	£643,378	Statutory / Non-Statutory	<input type="checkbox"/> S106 <input type="checkbox"/> Reserves <input type="checkbox"/> NHS
			Non Statutory

Cost Code	R4400 10600 A0854	Budget	Account - R5600, Cost Centre - 10242 Cost Analysis - A1868
Current value	£643,378	Revised Annual Contract	Kept the same.
Savings Annual Value	Inflation		

Summary of how savings will be achieved

The corporate procurement savings this year, as last year at approx. 5% per contract for HAC have been dealt with by adjusting the growth income into the budget. The contract is at the same price as in previous years with no increase for inflation. Therefore, the inflation is absorbed within the contract.

Scope of Contract

The Linkage Plus services plays an important role in the provision of preventative services for residents aged 50+ in the borough. It supports the strategic outcomes of the Strategic Plan 2020 to 2023 in particular Priority 1: People are aspirational, independent and have equal access to opportunities. The services support especially outcome 3: People access joined-up services when they need them and feel healthier and more independent. The service also supports a number of I statements of Tower Hamlets Together Outcomes Framework.

Linkage Plus is commissioned 50% by the CCG and 50% through LBTH. Its services aim to alleviate loneliness¹ through active outreach, a range of social activities and gatherings, digital inclusion projects. It also encourages physical activities and promotes health awareness,

In particular, it delivers the following functions:

- Outreach
- Information, Signposting, Referral, and Practical Support
- Social and Physical Activities
- Health Promotion and Awareness
- Increased employment and volunteering opportunities
- Partnership working within the network and with external organisations
- Empowerment to have a voice and strategic influence in the borough (the Older People's Reference Group, OPRG)

The Care Act 2014 places an emphasis on maximising independence and minimising long term dependence and makes clear that local authorities must provide or arrange services that help prevent people developing needs for care and support or delay people's need for ongoing care and support. Universal and preventative services, of which LinkAge Plus is our main service, aim to support people to live their lives as independently as possible in the community.

The current contract combined the formerly separate Older People's Reference Group contract with the Linkage Plus one making a saving of over £6,600 on the previous contracts. Furthermore, the contract for supporting older Vietnamese speaking residents in the borough was discontinued in 2021/22 and added to the Linkage Plus contract at a further £35,000 saving.

The new contract will include reference to the new day opportunities model that will be tendered at the same time and go live on 1 April 2022 as well. The LA+ services will complement the new day opportunities model through a wider offer of hubs and activities across the borough and closer joint up working.

Contracting Approach

The contract will be procured through an open tender. The intention is to promote a lead provider approach

which would involve a lead provider model to deliver the service as a consortium with partner organisations providing service coverage across the borough with different hubs to deliver services from.

Social Value Benefits

Aside from the community benefits that stem from the service’s key objectives, LinkAge Plus will deliver a number of volunteering opportunities and work placements for local people in line with the contract’s requirements, including (all annual targets):

- 2,500 hours of volunteering by members/clients aged 50+
- An average of 40 individual members/clients volunteering
- 4,000 hours of volunteering by people aged under 50
- An average of 40 volunteers aged under 50 per quarter
- Four work placements for people aged 50+ through the WorkPath scheme
- 35 apprenticeships / work placements of people aged under 50 (including throughout the wider partner organisations)
- 5 apprenticeships / work placements quarterly undertaken by people with learning disabilities (including throughout the wider partner organisations)

¹ A model that estimates subjective loneliness at borough, middle and lower super output areas, ranks Tower Hamlets as 1 out of 33 for London and 1 out of 326 for England, meaning that persons aged over 65 living in Tower Hamlets are predicted to be among the loneliest in both London and England. TH JSNA Loneliness and Older People, Jan 2016

Contract Ref & Title	HAC5760: Community Hub (Sonali) Day opportunities		
Procurement Category:	Care & Commissioning	Contract Duration & Extensions:	3+1+1+1 year
One-Time / Recurrent	One-Time	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> HRA
Value Total:	2,910,000 (based on £485,000 pa)		<input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund
Value P/A:	£400,000 to £485,000 pa indicative	Statutory / Non-Statutory	Non Statutory
Cost Code	R5600.30135	Budget	A1861
Current value	£491,000 pa indicative as spot contract	Revised Annual Contract	See value P/A
Savings Annual Value	See contract budget heading		
Summary of how savings will be achieved			
Further modelling of demand and charging will be undertaken before procurement to identify savings.			
Scope of Contract			
Day support in adult social care can be broadly defined as support and activities outside the home and during the daytime. It is for adults who have care and support needs, as defined in the 2014 Care Act. Traditionally, day support has been synonymous with day centres: buildings that are typically open Monday to Friday, with support and activities provided by social care staff. In recent years, day support has expanded to encompass a broader range of activities, such as support staff helping people to get out and about in their local communities. The new model of day opportunities intends to build on this and take this further by offering a more flexible and community-based service for residents with long term conditions and physical disabilities.			
In March 2021 Cabinet approved a number of recommendations the most relevant for this purpose are:			

- To close three in-house day centres (Riverside, Redcoat and Pritchard Road)
- Open from 2021 and retender a new day opportunities model consisting of a community support hub and spokes model with new contract to be in place by 1 April 2022.

The new hub is most likely to be Sonali Gardens subject to a successful extension/renewal of the current lease by 1 April 2022. In addition, a main spoke is to be procured.

Community Support Hub: The new community support hub model will offer access to a building-based community hub and activities to those with higher eligible support needs. It will support those that want a greater degree of routine and more support. However, overall the vision is for this to be a flexible 'base' for people to access the huge and vibrant range of activities, dropping in and out of the building itself as needed; whilst providing a safe and inclusive space and incorporating the things that service users have said are important to them. In addition, there will be strong links with reablement, a network of volunteers, a coalition of community partners, digital inclusion and supporting people to be as independent as possible. This will be achieved through arranging access to activities in the community and provide the necessary support to service users to access these along with information and advice on what is happening locally to a service user.

It is envisaged there will also be several spokes such as at Idea Stores, Linkage Plus etc. There also will be a main spoke responsible for organising a lot of the activities which will be subject to a separate contract and tender. It is expected and essential that the new community support hub will closely collaborate with the spokes, in particular the main spoke.

The Contract Budget:

The new contract will have an indicative budget on £400,000 £485,000 pa which includes the reinvestment of the £135,000 pa allocated to the new community support hub as part of the savings made by the day centres (£1,017,000) from 2021/2022 with £450,000 overall earmarked for reinvestment. Further financial and demand modelling will be undertaken to arrive at a more detailed budget which may include further savings.

Contracting Approach

It is proposed that this contract will have a longer contract period of 3 years +1+1+1 to ensure that the new model can embed while at the same time allow for contract reviews.

The contract will be awarded following an open tender in autumn 2021 with a new contract to start from 1 April 2022. This procurement route is subject to LBTH successfully concluding the lease arrangements for the premises at Sonali Gardens or an alternative site for the community support hub to deliver services from.

There is the potential interest from a local organisation able to deliver this service to take on the lease of the Sonali Gardens premises, in which case the Council would have justification to award a direct contract as the market for an experienced provider with appropriate premises in the borough is extremely limited. A stand alone report would be submitted to Cabinet for approval of the direct award in this case.

Social Value Benefits

Apart from the community benefits realised through the nature of the contract, community benefits would include volunteering, work placements including for people over 50 and with a learning disability, participating in local job fairs, working with TH Work Path to access potential employees from TH, support for smaller community organisations including BME through in kind support and expertise.

Contract Ref & Title	P5343: Parking Service IT Application Contract Update		
Procurement Category:	Corporate Services	Contract Duration & Extensions:	5 + 2 years

One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input type="checkbox"/> HRA
Value Total:	£850K		<input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value P/A:	£100K	Statutory / Non-Statutory	Statutory
Cost Code	23899	Budget	Revenue
Current value	£90K	Revised Annual Contract	£100K
Savings Annual Value	The contract was not let based on savings, but wider economies were made through bringing services online as reported to Cabinet on 27 June 2018		

Summary of how savings will be achieved

Refer to the paragraph above, (savings annual value).

This report is seeking to update the Cabinet on the Parking Service IT application contract vendor acquisition and expenditure. On 27 June 2018, Cabinet approved the procurement of a Parking Managing Information System on an estimated total contract value of £500K.

The tender was advertised in the European Journal and the winning bidder was WSP UK Limited. The start date of the contract was 01 October 2019. In late 2020, the vendor sold the WSP Traffic Support (Parking Management System) to Taranto Systems Limited of the Volaris Group and requested the Council for this contract to be novated.

Whilst the transfer of the contract is defined as a novation, it will constitute a new relationship with the new organisation without competition. The Council has the legal power to enter a direct relationship with the new organisation. This report seeks Cabinet approval, in accordance with the Constitution, to enter a new direct relationship with Taranto System Limited, without competition. The term will be consistent with the contract period approved by Cabinet on 27 June 2018.

The regulation 72 of the Public Contracts Regulations 2015 allows the Council to proceed without a need for a new procurement where a new contractor replaces the one to which the contracting authority had initially awarded the contract, as a consequence of the acquisition of another economic operator provided that this does not entail substantial modifications of the contract. The Council does not intend to modify any aspects of the contract, which will continue to operate based on the terms and conditions included in the original tender.

In addition, the report is further seeking Cabinet approval on an updated expenditure under the existing contract. Such expenditure will bring the total contract value that was let out to up to £850K, due to the inclusion of:

- The option to extend the contract for two years, the price of which was not included in the Cabinet report of 27 June 2018. This is £200K over two years of the Cabinet approved £500K
- The application implementation has been successful, and the service intends to vary the contract to implement the automatic number-plate recognition (ANPR) from handheld devices, to increase the efficiency permit inspections. This is estimated at £70K over the duration of the contract
- The other variation is the application implementation by Tower Hamlets Homes (THH) for the management of its estate parking. This is estimated at £80K over the duration of the contract. The Council is entitled to purchase services on behalf of THH under Regulation 12.2 (a) of the Public Contracts Regulations 2015, which regulates public contracts between entities within the public sector. Contracting authorities (in this case THH) which are wholly owned by a public authority are entitled to buy from their parent company

Contract Ref & Title	P5662: Storage and Removal Services Framework		
Procurement Category:	Corporate Services	Contract Duration & Extensions:	4 years
One-Time / Recurrent	One-Time	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input type="checkbox"/> HRA
Value Total:	£1,080,000		<input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value P/A:	£270,000	Statutory / Non-Statutory	Statutory
Cost Code	Storage – R5602.10148.A2534 Removals – R5602.10148.A2535	Budget	£1,200,000
Current value	£300,000	Revised Annual Contract	£270,000
Savings Annual Value	£30,000		
Summary of how savings will be achieved			
Savings will be achieved as a consequence of changes to the HOS policy, whereby only applicants of most needs will qualify for the storage and removal service. We will also be reducing the amount of time belongings are kept in storage before disposal to reduce cost.			
<u>Scope of Contract</u>			
The aim of this project is to procure a multi supplier framework for Removal, Storage and Disposal services to support the delivery of the Council's statutory obligation to remove and store belongings of those homeless and also protect and store the belonging of tenants that have either abandoned their tenancy or are being rehoused.			
<u>Contracting Approach</u>			
A 4-Lot Framework is being established. Call off procedure will be to utilise the highest scoring supplier first and only cascade down in the event the highest scoring supplier is unable to fulfill the request.			
<u>Community Benefits</u>			
Tender evaluation methodology will include a Social Value/Community Benefits elements worth 5% of the overall tender weighting. Details of the SV requirements will be decided once needs are determined nearer the tender publication date.			

Contract Ref & Title	P5719: Enhanced Rough Sleeping Outreach Service (EROS)		
Procurement Category:	Care & Commissioning	Contract Duration & Extensions:	3 years with option to extend for 12 months and 11 months
One-Time / Recurrent	One-Time	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input type="checkbox"/> HRA
Value Total:	£8m		<input checked="" type="checkbox"/> Grant <input type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value P/A:	£400.000- £1.8m	Statutory / Non-Statutory	Non Statutory

Cost Code	10166	Budget	Rough Sleeping Initiative Grant
Current value	£400,000	Revised Annual Contract	£1.8m
Savings Annual Value	NA – increase in value is to reflect additional funding.		

Summary of how savings will be achieved

Grant funded project. The project will only be procured within the limits of the grant received.

Scope of Contract

The Rough sleeping outreach service has been delivered by the Council through the Department of Communities and local Government Homeless Prevention Grant since 2014.

The core service provides:

- Provide appropriate assertive outreach cover across the borough and respond to reports of all rough sleepers within 24 hours.
- Take an assertive approach to encouraging and referring all new rough sleepers to NSNO assessment hub, local Emergency Bed spaces/ Safe Seats or alternatives.
- Put in place support plans for individuals that are reviewed at appropriate intervals to ensure goals and actions specified continue to be relevant and that any progress is monitored and recorded
- Support rough sleepers to retain accommodation to avoid clients returning to the streets
- Make referrals to specialist agencies to ensure the safety and well-being of rough sleepers with complex needs

This contract was approved by Cabinet on 27/01/2021 as part of the Contract Forward Plan Q3 20/21. The value reported then was of £400K per year and included the approval for **future variations up to a value of £600k, if grant funding was secured during the life of the contract.**

A procurement exercise was undertaken and St Mungo's was appointed as service provider with an initial scope of £400k, however, soon after the contract was awarded, the Council received confirmation of grant for the Rough Sleepers Initiative that exceeded the value initially estimated (£600K per annum).

Contracting Approach

Variation of existing contract value to include the additional funding received and future funding that it is now confirmed to be in excess of the initial £3m over the life of the contract to £8m. Contract will be varied as and when grants are confirmed by central government.

Community Benefits

The contract secured additional social value including two apprenticeship.

Contract Ref & Title	P5736: Postal Services		
Procurement Category:	Corporate Services	Contract Duration & Extensions:	36 Months
One-Time / Recurrent	One-Time	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input type="checkbox"/> HRA
Value Total:	840k		<input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves

Value P/A:	280k	Statutory / Non-Statutory	Non Statutory
Cost Code	28000	Budget	£280k per annum £840k over the life
Current value	350k	Revised Annual Contract	252k
Savings Annual Value	10% @ £28k per annum		

Summary of how savings will be achieved

There will be a reduction in spend due to the mail naturally reducing year on year where it has reduced by 20% of the original total value. There will be an additional 10% of savings identified from the new procurement, competition, and management of the contract

Scope of Contract

The Council is currently within a Pan London' Postal Board framework for the provision of postal goods and services. The contract was extended for 12 months and the extension period ends in September 2021.

The long-term future is that whilst the Council moves towards greatly reducing paper use with the introduction of hybrid mail/scanning the Council will link into the new Postal Services contract. There will still be a requirement for a traditional postal service provision until the impact of the project described above is better understood.

The proposed framework being tendered by the LB Greenwich will have a duration of 3 years which will commence on 14/09/2021 with an end date of 13/09/2024. The council will undertake their own call off agreement for the contract.

Contracting Approach

Ealing are the lead council in this tender and LBTH will buy into the new contract when awarded. LBTH commercial team manager, the logistics manager and a senior procurement manager will engage with the London groups to track the progression and timeframes and take part in the evaluations.

Contract Ref & Title	R5600B: Revenues Application Contract		
Procurement Category:	Corporate Services	Contract Duration & Extensions:	2 plus 2 years (Year 2 of the contract commences on 1 April 2021)
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:	£702,932 (4 years total value)		
Value P/A:	£175,733	Statutory / Non-Statutory	Statutory
Cost Code	23899	Budget	Revenue
Current value	£175,733	Revised Annual Contract	Exiting IT application contract
Savings Annual Value	This is a renewal of support and maintenance, no saving attached.		

Summary of how savings will be achieved

This is a continuity of support and maintenance contract for IT applications. The saving was realised when the application was implemented in digitalising processes and made it more efficient and effective.

Scope of Contract

This report is seeking to update the Cabinet on the Council's Open Revenues application contract price. On 25 September 2019, the Cabinet approved the estimated spend and the contract duration of initial two years, with the option to extend for two years. The estimated total value approved was £524K and the annual value being £131K.

The price was based on the cost information provided by the ICT strategic partner, who procured additional modules, as well as managed this application, prior to the contract being novated to the Council in 2019. As part of the renewal and commercial meetings with the vendor, costs were reviewed and consolidated. As a result, the annual value of the contract is £175,733, and for the remainder of the contract term (36 months), the value will be £527,199. This means that if the full four years term of the contract is used the value is £702,932, and this is a difference of £44K per annum with the value originally recorded.

The current application is critical for the Council. It enables the Council to manage and process the revenue records, which is a key part of generating income for the Council. Without this application, the Council will not be able to run its revenues provisions efficiently and effectively, therefore it would be a return to manual paper-based processing.

Contract Ref & Title	R5763: Hybrid Mail Solution		
Procurement Category:	Corporate Services	Contract Duration & Extensions:	3+2 years
One-Time / Recurrent	One-Time	Funding Source:	<input checked="" type="checkbox"/> Capital <input type="checkbox"/> On Going <input type="checkbox"/> HRA
Value Total:	£3,490,000		<input type="checkbox"/> Grant <input type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value P/A:	£843k yr1 £717k yr2 £645k yr3,4,5	Statutory / Non-Statutory	Non Statutory
Cost Code	R4300.23566.A0556	Budget	Resources - Revenues
Current value	£3,378,279 (based on the range of services over the last 3 yrs.)	Revised Annual Contract	£843k
Savings Annual Value	£161,000		

Summary of how savings will be achieved

The current costs of providing the services that Hybrid Mail will replace are.

1. Mailroom costs; Franking machine maintenance, salary (1 FTE) and vehicle costs totalling £36.2k
2. Royal Mail costs; contract and franking totalling £391.8k.
3. On site production costs; paper and envelopes totalling £34.3k
4. OneSource costs; printing, insertion, postage and salary totalling £66.4k

This totals to a cost of £1.1m.

Initial implementation of Hybrid Mail will cost £910.1k including one off implementation costs for 21-22. This cost was estimated based on the total amount of outgoing franked items dealt with in house as well as the total number of bulk items managed via the OneSource contract. Hybrid Mail proposes cashable benefits of £482k for the first 3yrs (Yr1 £273k, Yr2 £136k, Yr3 £72k).

The current OneSource contract is up for renewal in July 21 and the Royal Mail contract in September 21. The procurement and implementation of the Hybrid Mail solution is provisionally expected to take 9 to 12 months.

The detailed timeline of the project is currently being defined as well as an approach and costs for the temporary renewal of these contracts. Please note these factors will affect the projected benefits proposed in the Business Case outlined above.

Scope of Contract

Hybrid Mail is the automation and simplification of **outgoing** mail to lower the cost of print and mail, enable a print and forget remote printing service, and encourage the use of digital alternatives. It involves digital data being transformed into physical letter items and distributed from print centres. An electronic platform that can also transfer the printed output to digital electronic communications for customers as required, which is a key requirement for the council. It can be a combination of physical and electronic output and enables inserts, pull and hold items as required.

The implementation of Hybrid Mail will have in scope a range of services across the organisation.
 Resources – Revenues, Pensions, Payroll, Housing Benefits, HR, and Finance.
 Place – Parking and THH.
 Health, Adults and Communities – Adult Social Care.

These services have been used to determine the scope and approach to implementation. Where there are existing EDRMS in place that provide for a complex level of workflow functionality integrated into current core business critical systems, it is not proposed that these will be replaced due to level of cost of change and complexity. Instead they will work alongside any proposed EDRMS.

The procurement of a Hybrid Mail solution will support the council’s requirements to manage bulk and day-to-day outgoing posts. It will remove the requirement for printing, enveloping, collection, and franking of ad hoc mails on site. Incoming mail will not be in scope of the Hybrid Mail solution.

Contracting Approach

Procurement will be done through a Crown Commercial Service Framework. RM6017, Postal Goods, Services and Solutions is an established framework with a representative supplier panel on the relevant lot. It is the intention of the project team to undertake a further competition through this framework. The project team will work closely with the Procurement and legal Services to ensure the appropriate processes are followed.

Detailed planning for the procurement and implementation of this solution is currently taking place. Working closely with Procurement Services it has been estimated that the solution will be implemented within 9 to 12 months. Contract awarding will need to have taken place by 31st January 2022 leaving a further 8 weeks to implement the solution and facilitate a hand over by 31st March 2022.

Social Value Benefits

The project team will develop social value requirements proportional to the value of the contract with the use of the social values matrix before the tender is due to begin in July 21.

Contract Ref & Title	R5764: Financial Application Licensing and Support Agreement		
Procurement Category:	Corporate Services	Contract Duration & Extensions:	15 months + two consecutive 12 months
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input type="checkbox"/> HRA
Value Total:	£450,000		<input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund
Value P/A:	£138,500	Statutory / Non-Statutory	<input type="checkbox"/> S106 <input type="checkbox"/> Reserves
			Statutory

Cost Code	23899	Budget	Revenue
Current value	£125,000	Revised Annual Contract	£138,500
Savings Annual Value	This is for application support and maintenance renewal, so no saving anticipated.		

Summary of how savings will be achieved

This is a continuity of support and maintenance contract for the Council's financial system, and thus savings were achieved when the application was initially procured.

Scope of Contract

This report seeks Cabinet approval for the renewal of the license and support of the Council's existing financial application (Agresso), which is provided by Unit 4. The contract was novated from the former ICT Strategic Partner on 18 January 2021, with the view to seeking Cabinet spend approval when the existing term expires on 30 September 2021.

The proposed renewal agreement will be for an initial 15 months, with the option to extend for two additional consecutive periods of 12 months. The estimated total contract value over the maximum three years and three months is £450,000. The proposal is to renew the contract through the Crown Commercial Service (CCS) procurement frameworks. This is a procurement compliant route that allows the direct award to the current vendor. The proposed renewal term will enable two other current contracts related to the mission critical Agresso application being coterminous:

- Service pack contract (and HR system interface) – with the same vendor (Unit 4) for better user experience and reporting toolset. The estimated contract value is £127,000 (over 4 years).
- Hosting contract – with a third-party vendor for cloud hosting of the Agresso application. The total estimated contract value is £650,000 (over 4 years).

The Agresso solution is one of the Council's core corporate applications for which continuity and stability are paramount. A tendering process, and the potential of replacement – if the incumbent vendor is unsuccessful, as well as integration would be a substantial undertaking. It would take a significant time (at least two years) and resource to achieve this. With the expiry of the current agreement in September 2021, the proposal is to renew with the current vendor to mitigate the risk of critical service loss and disruption.

Moreover, a wider strategic decision on tendering is required, which would need further investigation and the development of a full business case. Although the procurement rules require tendering, there is a substantial associated cost, and the retender would be limited to the provision of the user licenses for the Unit 4 software, which only Unit 4 and their licensed resellers could respond to. This renewal will ensure continuity of service, allowing for financial transactions, payments and producing financial reports, which are critical to the operation of the Council.

Contract Ref & Title	Specialist Finance Resources		
Procurement Category:	Corporate Services	Contract Duration & Extensions:	36 months
One-Time / Recurrent	One-Time	Funding Source:	<input type="checkbox"/> General Fund <input type="checkbox"/> S106 <input checked="" type="checkbox"/> Reserves <input checked="" type="checkbox"/> Pension Fund
Value Total:	£1m Reserves and £1m Pension Fund		
Value P/A:	Estimated up to £0.5m Reserves and up to £0.5m Pension Fund	Statutory / Non-Statutory	Non Statutory

Cost Code	23130 Finance Improvement Team and 23520 Pensions	Budget	£1.5m Reserves and £1.5m Pension Fund
Current value	2020-21 £121k Reserves and £218k Pension Fund	Revised Annual Contract	Estimated up to £0.5m Reserves and up to £0.5m Pension Fund

Summary of how savings will be achieved

The contract spend is activity level based and non-recurrent expenditure (so no direct savings in the contract spend), but the Finance Improvement Plan work funded by Reserves contributes to the achievement of recurrent General Fund MTFs savings in the Finance, Procurement and Audit division.

Scope of Contract

Specialist finance resources (interim staffing resources) required to support delivery of the Council's Finance Improvement Plan overseen by the Audit Committee and improvements in Pension Fund administration and investments overseen by the Pensions Board and Pensions Committee.

Contracting Approach

The LGRP framework will be used to procure the required services stated above.

Contract Ref & Title	H3190: Housing Repairs and Maintenance and Gas Servicing and Repair		
Procurement Category:	Construction	Contract Duration & Extensions:	Up to and including 30 th June 2022
One-Time / Recurrent	One-Time	Funding Source:	<input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> HRA
Value Total:	Up to £7m		<input type="checkbox"/> Grant <input type="checkbox"/> General Fund
Value P/A:	-	Statutory / Non-Statutory	Statutory
Cost Code	17810	Budget	£13.8M revenue, and balance capital

Scope of Contract

The contract provides statutory building repairs & maintenance services to the Council's housing stock. This report seeks approval for an extension of the existing contract from its current termination date of 30 November 2021 to a new end date of end of May 2022. The budgeted cost of this extension is up to £7million.

Contracting Approach

New contracts are currently being retendered. This additional extension of four months is required to allow time to conclude procurements for the replacement contract.

Contract Ref & Title	THH5745: Cleaning materials		
Procurement Category:	Construction & FM	Contract Duration & Extensions:	3 years plus 2 years (3 + 2)
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input checked="" type="checkbox"/> HRA
Value Total:	£2 million		<input type="checkbox"/> Grant <input type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves

Value P/A:	£400k	Statutory / Non-Statutory	Non Statutory
Cost Code	10652	Budget	R4009
Current value	£400K	Revised Annual Contract	£400K
Savings Annual Value			

Summary of how savings will be achieved

By undertaking a publicly advertised competitive tender process, value for money will be achieved by replacing the existing arrangements. Savings against the HRA however are not anticipated to be delivered within this procurement process or through the new contract due to the following:

- The impact of Brexit has increased the potential distribution costs to supply chains
- Covid-19 has had an impact on increased cost of products through increased demand

There may be a need for additional PPE which will increase spend through the new contract. There will be increased volumes required due to the increase in new build stock managed by THH so may increase spend through the contract.

Scope of Contract.

Tower Hamlets Homes provide cleaning services to 920 residential blocks belonging to Tower Hamlets Council. 160 estate-based caretakers undertake the cleaning duties of all the communal areas within the blocks and the externals of the estates. THH have a mixture of tenanted and leasehold properties and residents pay for a cleaning service to be delivered to the communal areas of their blocks via their rent and service charges. For this reason, it is essential the Caretakers have the right products and equipment to deliver a high standard of cleaning and obtain value for money for our residents and leaseholders through the procurement process.

THH is also responsible for cleaning car park areas and playgrounds within the THH estates and look after all the horticulture and the grass cutting of all the green spaces around the residential blocks. We use an array of machinery from hoovers up to floor polishing machines to help maintain the areas that we are responsible for.

The caretaking team won front line team of the year in 2019 and have maintained high customer satisfaction levels throughout the Pandemic and it is essential that we maintain these high standards. THH currently spend £400,000 annually on cleaning materials and equipment.

The services provided are ongoing as we need to maintain the housing stock on behalf of London Borough of Tower Hamlets. The length of the contract is to ensure we do this to a good value for a consistent period.

Contracting Approach

THH are proposing to procure a contract for an initial 3-year period, with provision to extend for an additional 2 years (3 + 2). The cleaning services provided are ongoing and provide cleaning on a daily basis, 7 days a week. It is envisaged that a 5-year contract will be more attractive to the market and secure better value for money (as opposed to a shorter-term contract).

The market for cleaning supplies is saturated and it is expected that this opportunity will attract a high level of interest. It is for this reason that a publicly advertised competitive process is proposed. An advert will be published on Find a Tender, Contracts Finder (via Due North) and the Council's website. Suppliers will be required to formally express an interest to gain access to the Tender Documents. This procurement will follow a restricted (two stage) procedure with shortlisting and tender evaluation undertaken under the Public Contracts Regulations 2015 as amended by the Public Procurement (Amendment etc.) (EU Exit) Regulations 2020. In line with the Council's procurement procedures, the tender process will comprise a quality section

related to delivery times and reliability and a priced schedule of rates, including volume rebates.

Community Benefits

We have a duty to make sure that the communal areas of our estates and blocks are maintained to a good standard which has a direct impact on our estates and communities. We will expect the successful company to take part in estate action days to engage with residents and contribute to these events (for example they may offer samples of cleaning products and offer advice to residents).

Contract Ref & Title	THH5756: Stock Condition Survey Procurement		
Procurement Category:	Construction & FM	Contract Duration & Extensions:	3 years plus 1 year (3 + 1)
One-Time / Recurrent	One-Time	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input checked="" type="checkbox"/> HRA
Value Total:	£600,000		<input type="checkbox"/> Grant <input type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value P/A:	£150,000	Statutory / Non-Statutory	Non Statutory
Cost Code	19170	Budget	C1107.A0882
Current value	£142,998	Revised Annual Contract	£150,000
Savings Annual Value	0		

Summary of how savings will be achieved

The contract is anticipated to be more expensive than previously due to accounts for inflation and external market factors affecting the housing sector currently. Due to increased demand, there is anticipated market scarcity/ less interest which may increase prices. Mitigations to increased spend/costs will be sought through effective contract management and using LBTH’s DPS so all monies through the levy will be recouped.

Scope of Contract

The previous contract was set-up to cover the 5-year programme, however the total value only covered 2 years of the programme. Therefore, this contract is aimed to complete the existing programme. Previously, all blocks external surveys have been completed and 20% of internal surveys. The new contract is focused on completing the survey on the remaining programme. These surveys will include:

- An assessment of the condition of the external fabric of all blocks of flats, communal areas.
- Surveys of all communal external areas on estate i.e. car parks, hard surfac areas, boundary walls etc
- Survey of M&E installations where required i.e. communal heating systems, lifts, water tanks, etc
- An internal survey of all individual tenanted properties that assesses the age and condition of asset components i.e. kitchens, bathrooms, doors, windows, electrics, heating etc
- An assessment against Decent Homes Standard inc. assessment against the Housing Health & Safety Rating System (HHSRS) and identification of statutory hazards
- Collection of RdSAP data to allow us to make a SAP assessment for each property (energy efficiency)
- Independent verification of our forecast investment costs over 30 years and confirmation of schedule of rates used.

These surveys and the data they collect will allow us to meet our statutory obligations to keep residents safe in their homes. It will also contribute to value for money objectives.

Contracting Approach

This project will be procured via LBTH’s P5645 Construction Consultancy Services DPS – Lot B: Building Surveyor. A competition involving all 69 suppliers on the lot will be invited to tender, where initial quality questions will be tailored to focus evaluation on tenders most suited to meet the requirement. The standard

LBTH services terms and conditions will be used.

Social Value Benefits

Bidders will be required to submit economic and community benefits for local residents as part of the tender. This is anticipated to include local recruitment, apprenticeships, attendance at job fairs and community involvement.

Contract Ref & Title	THH5759: Estate Based Youth Programme		
Procurement Category:	Construction & FM	Contract Duration & Extensions:	1 year plus 15 months (12m + 15m)
One-Time / Recurrent	One-Time	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input checked="" type="checkbox"/> HRA <input type="checkbox"/> Grant <input type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value Total:	£337,500		
Value P/A:	£150,000	Statutory / Non-Statutory	Non Statutory
Cost Code	A0295	Budget	10696
Current value	N/A	Revised Annual Contract	N/A
Savings Annual Value	N/A		

Summary of how savings will be achieved

Contract values are based on a closed budget envelope where the budget will be shared with the suppliers at tender stage. The tenders will be evaluated on the basis of quality only against the given budget. Suppliers will provide cost breakdowns to evidence how funding will be utilised to maximise benefits for THH. Value for money will be achieved by awarding the contract to the providers which offer the best quality proposals. Savings arising from HRA monies cannot be redistributed for other use, and therefore are not

Scope of Contract

To commission 5 providers to deliver an estate-based youth programme to work within THH estates to engage and work with young people and young adults aged 11 years to 25 years, who are at risk of getting involved with knife crime, youth on youth violence and Anti-social Behaviour (ASB) with diversionary activities and programmes.

1. To provide a detached and outreach project with young people and young adults who do not use mainstream services or are too old to use youth service provisions (12 to 19 years) to be given support, advice and mentoring in the estates, parks and other places they meet, gather and socialise.
2. To provide a visible presence of youth work staff talking and engaging with young people and adults using a detached youth work model within THH estates. To build a strong connection with the local community and a service local people can approach and contact.
3. To support young people and adults with enrichment, recreational and social development, and diversionary opportunities. These can be within the estates, local community and housing facilities and local youth and community centres and hubs.
4. To provide a detached service that is innovative, creative, flexible and able to adjust and move around the THH estates when information from the ASB/Police teams is provided of hot spot areas or areas where it has been identified as needing intervention work with groups of young people and adults

The programme will engage with at least 300 young people each year, to be split up between the providers, who are not engaging with local services and often hanging around the estates, parks and streets. A range of other KPIs will be developed to sit alongside the 300 people engagement target. The initial 1-year contract would provide an appropriate break to review delivery against set KPI's. Subject to satisfactory performance, there is extension provision for a further 15 months (12m + 15m).

Contracting Approach

LBTH Legal Services have advised that the scope of services would be considered within the Light-Touch Regime. As such, the value of this contract is below public procurement thresholds. In line with LBTH Procurement Policy, the procurement opportunity will be publicly advertised via the Council's e-tendering portal (Due North), running similar to an open procedure. Although there are no prescribed timescales for the tender process, reasonable timescales will be observed.

Social Value Benefits

Bidders will be required to submit economic and community benefits for local residents as part of the tender. This is anticipated to include local recruitment, apprenticeships, attendance at job fairs and community involvement.

Contract Ref & Title	THH5761: Repairs, Maintenance, Servicing and minor improvements to Lifts and associated works. PLUS the Installation, Servicing and maintenance of disabled lifting equipment.		
Procurement Category:	Construction & FM	Contract Duration & Extensions:	8 years plus 5 years (8 + 5)
One-Time / Recurrent	Recurrent	Funding Source:	<input checked="" type="checkbox"/> Capital <input type="checkbox"/> On Going <input checked="" type="checkbox"/> HRA
Value Total:	£12.155m		<input type="checkbox"/> Grant <input type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value P/A:	£935,000	Statutory / Non-Statutory	Statutory
Value P/A:		Statutory / Non-Statutory	Non Statutory
Cost Code	17809	Budget	£935k
Current value	£1m p.a.	Revised Annual Contract	£935k
Savings Annual Value	£65k (1 st year known only)		

Summary of how savings will be achieved

The service provider will be required to seek efficiencies through their supply chain and procurement processes, as well as planned preventative maintenance to reduce responsive breakdown costs year on year. THH will assist in reducing costs through the ongoing capital lifts replacement programme, taking older problematic lifts out of service and replacing with modern reliable assets.

Revised procurement strategy with disability lifts being delivered via main contractor and not subcontracted via the general repairs and maintenance contract. Any savings achieved will be used to carry out more repairs and maintenance. Through the annual budget setting process, a c. £65k reduction to expenditure will be made. These savings have been realised through the budget process, and will be supported through the procurement process to limit spend.

Scope of Contract

The purpose of this contract is to replace the existing Precision contract H3912a. Precision currently provide all the services included in both Lots of this contract, although some services are outsourced (primarily installations of disabled lifting equipment). Precision have provided services for a total of 10 years, including extensions to the maximum term.

The contract includes a full and comprehensive service including:

- Statutory servicing and certification
- Breakdown/responsive repairs

- Maintenance
- Out of Hours service
- Minor planned works
- Installation, servicing and maintenance of domestic lifting equipment including stairlifts, hoists, step-lifts, through-floor lifts etc.

Contracting Approach

This contract will have a duration of 8 years, with extension provision for an additional 5 years (8 + 5). Where the lift market is relatively small and stable, a longer contract would be most suitable.

The market for lifts repairs and maintenance is relatively small. For this reason, it is proposed that a publicly advertised competitive process - Open Procedure under the Public Contracts Regulations 2015 as amended by the Public Procurement (Amendment etc.) (EU Exit) Regulations 2020 is followed. The advert will be published on Find a Tender, Contracts Finder (via Due North) and the Council's website. Suppliers will be required to formally express an interest to gain access to the Tender Documents.

THH intend to award 2 contracts:

Lot 1 – servicing, repairs and maintenance of c325 passenger lifts, including monthly servicing, responsive repairs and breakdown attendance and minor planned works.

Lot 2 - Installation, Servicing and maintenance of disabled lifting equipment, including stair-lifts, through-floor lifts, step-lifts, hoist and tracks.

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