Appendix 1

Health & Adult Social Care Directorate

Contract Ref & Title	Learning Disabilities Supported Accommodation Sewardstone Road (1 st floor) & Norman Grove		
Procurement Category:	Health & Care	Contract Duration & Extensions:	New Procurement 3+1+1 = 5 Years Total (01/09/2024 to 31/08/2029)
One-Time / Recurrent	Recurrent		
Cost Code	R5600.30183.A2559	Funding Source:	 ☑General Fund □Capital □ HRA □Grant □ Reserves □S106 □Revenue □Revenue □Revenue
Value Total:	£5,222,251.79	Statutory / Non- Statutory	Non Statutory
Value Per Annum:	Year 1: £914,878.80	Budget	No current budget
Current annual value	No current value	Revised Annual £5,222,251.79 Year 1: £914,878.80 Year 2: £997,217.89 Year 3: £1,057,050.97 Year 4: £1,109,903.51 Year 5: £1,143,200.62 Includes increase for LLW in future years.	
Savings Annual Value	No direct savings but expected cost avoidance in the future.		

Summary of how savings will be achieved

Long term cost avoidance via provision of local supported accommodation which will reduce the boroughs reliance on out of borough schemes.

Background

The Adult Learning Disability Strategy 2017-2020 sets out the local approach to improve support for adults with learning disability/autism (LDA). One key ambition against the outcome pillar of 'Live Locally' is to increase supported living capacity in-borough in line with increasing demand. The previous Accommodation Needs and Proposals papers of 2020 outlined commissioning plans to increase local capacity in a range of accommodation for people with LDA.

Increasing local high-quality provision will support the ambition of the 2022 LBTH Strategic Plan for residents to have access to high quality social care services and the commitment to the care of vulnerable members of the community. This includes the provision of high quality and financially sustainable services for adults receiving social care to achieve their goals, be connected to others and live as independently as possible.

The new supported accommodation projects at 130 Sewardstone Road (1st floor) with 4 units and at Norman Grove with 7 units will deliver a total of 11 units against this ambition. Out of those 11 units, 4 units will be for wheelchair users. Both sites are council owned buildings which will offer a high-quality support environment.

The refurbishment of Sewardstone Road has recently been completed while Norman Grove will be completed in February 2024. A service provider for both sites needs to be identified to deliver the care and support for the individuals moving into the accommodation.

The Commissioning team published a mini competition for the Sewardstone Road support service contract (HAC 5310 Lot 2 FC4) via the LD Accommodation Framework in early September 2023. However, following the closure of the call off on the 5th of October, no bids were received by any of the framework providers.

The procurement team requested feedback from bidders to ascertain the reasons for the lack of bids.

As the main barriers of the tender, the respondents identified:

- length of time given for the call-off being too short,
- lack of resources to bid,
- The perceived complexity of the wheelchair users provided in the profile description meant that some providers did not feel qualified to deliver this support.
- the proposed block contract did not include the option of purchasing additional spot hours. This has been a barrier for bidders in being able to deliver complex and personal care.
- lack of ring-fenced mobilisation budget.

Following Bidder's feedback, the commissioning team revised the service specification and addressed concerns about the available additional care hours.

Going forward, the following procurement options are available.

- 1) 2nd mini competition for existing LD accommodation framework providers for Sewardstone Road and Norman Grove as one contract.
- 2) Open tender procurement (Preferred option)

Scope of Contract

The London Borough of Tower Hamlets is seeking to commission a 24-hour supported living service for the two newly developed Council-owned accommodation sites.

The aim of the services at Sewardstone Road and Norman Grove will be to support up to 11 residents with Learning Disability and Autism who have a range of medium to complex needs, including behaviours that challenge, mobility needs, physical disabilities, sensory and cognitive impairments, to live as independently as possible, prevent their needs from increasing and remain closer to their families and the local community.

The support delivered will be personalised and flexible, tailored to each service user's individual needs, including maintaining and developing their emotional, intellectual, physical, social, and independent living skills. The support will promote empowerment, independence and choice within the home and community, and prevent isolation.

The service provider is required to:

- Promote people' individual rights, dignity, choice, and control,
- Prevent social isolation and exclusion,
- Promote physical and mental health and well-being to increase quality-of-life.
- Deliver support that is least restrictive, maximising people's potential while minimising risk.
- Maximise people's independence.
- Enable individuals to maintain their tenancy.
- Promote positive behaviour, develop communication skills and coping strategies to reduce behaviours that challenge
- Engage people in purposeful, interesting, and stimulating activities to help them achieve the outcomes identified in their individual Support Plan
- Support people to maximise and maintain their income.
- Enable people to access specialist support and mainstream services such as leisure, education, employment, and training opportunities.
- Support people to access appropriate social and health care services.

The service provider will be required to work in an integrated and collaborative way with service users, family members, the Community Learning Disability service (CLDS), Commissioners and other health and social care professionals to deliver support that is co-produced and that can adapt to individuals changing levels of need.

Contracting Approach

The contracting approach will include a procurement that will be compliant with the Council's Procurement Procedures and The Public Contracts Regulations 2015 (as amended by the EU Exit Regulations 2020).

Two procurement options are available.

- 1) Mini competition Call off from the LD Accommodation Framework (LOT 2 Supported Living)
- 2) Open tender procurement (Preferred option)

The advantage of a mini competition via the LD accommodation framework is that it reduces the length of the governance processes needed when compared to an open procurement exercise, as the providers included on the LD accommodation framework were successful when bidding for the LD Accommodation Framework tender in 2020/21.

However, to fully benefit from this the mini competition would need to have already started.

An open tender is therefore considered to be the preferred procurement approach at this point in time. The open tender has the potential to widen the supported accommodation market, for potential bidders not on the framework.

The indicative timelines for both procurement options are as follows:

Tender phase	Option 1 Mini competition / Framework Call off	Option 2 Open tender
Design and preparation	Oct to Nov 23	Dec to Feb 24
Market sounding / warming	Nov 23	Jan to Feb 24
Cabinet approval	31-Jan-24	31-Jan-24
ITT documentation issued	Mid-Feb 24	Mid-Feb 24
Close of tender	Mid-March 24	Mid-March 24
Evaluation	Mid-March to mid-April 24	March to May 24

Approval	Apr-24	May-24
Contract award	Apr-24	Jun-24
Contract mobilisation	May to July 24	June to August 2024
New service start	August 2024	Sept 2024

The total contract value over the life of the new contract will be the maximum value that may be considered following a decision to procure. The final value will be determined through a process of negotiation and in full understanding of evidenced associated cost pressures prior to any agreement, and confirmation of annual increases to LLW and inflationary pressures.

All inflationary and LLW pressures for the contract will be funded via Corporate Inflationary uplift funding which is identified and transferred at the start of each financial year.

Consideration has been given to in-sourcing this service, however it has not been deemed appropriate for the following reasons:

- This provision is highly specialised for people with learning disabilities and autism who have a variety of needs and requires high levels of specialism to deliver and sustain to effective quality standards that are subject to regular CQC inspections.
- The service delivery requirements contain specialist competencies and training of the workforce which has been best delivered by voluntary sector organisations with a proven track record and expertise in this area.
- Maintaining this support element of the service within the voluntary sector enables best value for money whilst we continue to ensure providers meet London Living Wage thresholds.
- Other supported accommodation services for people with LD and Autism are delivered in the community by voluntary sector organisations, providing a range of services including specialist and culturally specific provision which meet the needs of our communities.

The buildings will remain Council assets and will enable the Council to competitively tender for high quality support to meet the needs of the community into the future.

Community Benefits

Social Value will have 10% overall weighting in the tender evaluation process with the requirements being developed and defined during the preparation of the Tender Pack. This will include consideration of Social Value benefits that can reasonably be delivered within the proposed contract.

An indication of the benefits that may be asked within the procurment are listed below.

- Ensuring that the service is accessible to all elegible service user with due respect to their culture and religion
- Percentage of vacancies within the servcie that will be recruited from the local community.
- Percentage of agency staff that will be recruited via local recruitment agencies in Tower Hamlets.

Resources Directorate

Contract Ref & Title	R5949 IT Hardware Replacement (Laptops, Mobile Phones & Desktops)		
Procurement Category:	Corporate Services	Contract Duration & Extensions:	3 + 1 = 4 years
One-Time / Recurrent	Recurrent		
Cost Code	To be confirmed	Funding Source:	□General Fund ⊠Capital □ HRA □Grant □ Reserves □S106 □Revenue Generating
Value Total:	£5m	Statutory / Non- Statutory	Non Statutory
Value Per Annum:	£1.6m Years 1 to 3 + £0.2m in year 4	Budget	£1.6m Years 1 to 3 + £0.2m in year 4
Current annual value	N/A	Revised Annual Contract	N/A
Savings Annual Value	Not Applicable		

Summary of how savings will be achieved

The purpose of the procurement is to ensure that the council is able to maintain an IT hardware estate that remains fit for purpose and support future operational needs of the Council. The average useful life of a laptop is 4-5 years. The majority of the current batch of laptops generally in use throughout the council were purchased in 2019-2020. As a consequence, we are experiencing an increasing number of issues with this batch, and some issues are not recoverable. If capital is not available to replace faulty devices – or to purchase new devices – then staff and Members will not be able to work, which will result in a significant negative impact on productivity.

Background

Approval is being sought to go out to tender for the provision for IT hardware replacement in respect of laptops, tablets, desktops and mobile phones.

The proposed tender will ensure that the IT service are able to source from a range of suppliers, the required IT hardware including the current laptop device estate. This estate is coming to the end of its economic life and as a result, there is an increasing risk of ongoing failure rate on devices. In addition, there is growing need to meet new starter demand with suitable / fit for purpose devices.

The hardware proposed to be procured has been informed by recently conducted benchmarking exercises with a number of Lonon Boroughs, which has compared asset replacement strategies and to ensure that the device specifications meet current and future operational and resilience needs. As such, considerations has been given to not only the technical and security requirements but also additional important factors such as device weight, battery life, screen size and accessibility considerations.

The procurement of this contract is aligned with several strategies and commitments and will perform as a deliverable to achieve key outcomes within these strategies, including:

• The Council's Strategic Plan priority to invest in public services by providing technology that supports the council to deliver high quality run public services; and

• A council that listens and works for everyone by ensuring technology within the council that supports innovation and the delivery of modern services and improves customer satisfaction across council services.

Contracting Approach

The contracting approach will be finalised after completing the pre-sourcing activities which will include the analysis of the business need, market analysis / market engagement and development of the sourcing strategy. The technologies that have been implemented in the council allow for multi sourcing of devices rather than single sourcing and this provide more choice and better value than possible previously. The procurement will be compliant with the council's Procurement Procedures and The Public Contracts Regulations 2015 (as amended by the EU Exit Regulations 2020).

The figures given above for the expenditure over years one to four are based on a predicted replacement approach. The spend is anticipated to mainly be required in the first three years and the final year is more to cover contingencies and any remaining need.

Community Benefits

Social Value will have 10% overall weighting in the tender evaluation process with the requirements being developed and defined during the preparation of the Tender Pack. This will include consideration of Social Value benefits that can reasonably be delivered within the proposed contract.

Housing & Regeneration Directorate

Contract Ref & Title	HAR3948 Concierge & Related Services			
Procurement Category:	Construction & FM	Contract Duration & Extensions:	Contract Extension for a period of 5 months	
One-Time / Recurrent	One-Time			
Cost Code	10654	Funding Source:	□General Fund □Capital ⊠ HRA □Grant □ Reserves □S106 □Revenue Generating	
Value Total:	£308,000 (plus anticipated LLW uplift)	Statutory / Non- Statutory	Non Statutory	
Value Per Annum:	N/A	Budget	£ 578,400 per Year	
Current annual value	N/A	Revised Annual Contract	N/A	
Savings Annual Value	Not Applicable			
Summary of how savings will be achieved				
We are not anticipating any savings during this short term interim arrangement.				

Background

The existing Concierge and Related Services contract is due to expire in January 2024, and we are in the process of tendering the new Concierge and Related Services contract (tender documentation published w/c 30/10/23). The new contract may take up to 9 months to tender (including S20 consultation and allowing 2 months for TUPE).

To ensure continuity of service pending the new contract award, this report is seeking approval to continue using the existing provider to deliver concierge services until the new contract is in place.

This contract is well managed on a day to day basis with monthly documented contract meetings taking place where performance is reviewed. The service is responsive to THH requests and there are no concerns with OCS's performance at present.

Scope of Contract

This contract provides concierge services to 4 sites totaling 5 blocks, comprising 346 homes managed by the Neighborhoods Division. This service has a direct impact on people's feelings of safety and well-being. As such it is

central to LBTH's strategic priority of 'Empower communities and fight crime' where people feel safer in their neighbourhoods and anti-social behaviour is tackled.

Contracting Approach

The contracting approach will be supported by LBTH legal team and finalised following approval of this paper. The procurement will be compliant with the Council's Procurement Procedures and The Public Contracts Regulations 2015 (as amended by the EU Exit Regulations 2020).

Community Benefits

Community benefits will be secured through the new contract being tendered. During the procurement process the Council's Social Value Matrix will be used to secure community benefits with the aim of achieving 10% social value. This will be a mix of standard SV elements, such as local recruitment, apprenticeships and event sponsorship, and more service-specific elements, such as support of estate days and individual SIA accreditations, including employment of individuals with these accreditations.

Contract Ref & Title	P5971 Cleaning & Associated services		
Procurement Category:	Corporate Services	Contract Duration & Extensions:	3 + 1 = 4 years
Recurrent	Recurrent		
Cost Code 28108	(£8,964,208 General Fund and £456,192 HRA)	Funding Source:	 ☑General Fund □Capital ☑ HRA □Grant □ Reserves □S106 □Revenue Generating
Value Total:	£.9,420,400.	Non-Statutory	Please select
Value Per Annum:	£2,355,100.	Budget	£2,355,100. per annum (budget of £456,192 identified in HRA budget) (800k are leisure centre costs)
Current annual value	£1,850,000.	Revised Annual Contract	£2,355,100.
Savings Annual Value	Not Applicable		

Summary of how savings will be achieved

There will be no achievable savings for this procurement. This is due to the previous award being 5 years ago with no RPI or CPI mechanisms in place throughout its duration- The value of the contract must now represent the current economy; The political Instability of countries providing fuel, and other important commodities to Europe has affected the economy. Inflation has increased considerably, and this has specifically affected small, medium and larger providers. To ease the pressure on the population there has been a significant rise in London Living Wage (LLW) April 2023 where the increase from £9.75 per hour in 2017 to £11.95 per hour in 2023 and it will increase to £13:15 in April 2024 has taken making a total increase of £3.40 per hour across the hours on the contract. This will impact the supplier and will increase the risk of investment without medium to longer term benefits being offered. There will be an anticipated 10% increase in the overall value to include inflation. Housing, formally known as Tower Hamlets Homes, has been integrated back into the council. The 5 administration sites that were utilised by the department have also been repatriated and their costs are captured in the document; this will benefit the council by:

- Centralised purchasing and economy of scale
- Fixed costs and fixed SOR for the duration of the contract
- Consistency in service provision and performance
- Benefits to the local community

Background

The incumbent contract DR5116 was awarded in July 2017 for a duration of 5 years taking it to July 2022 with a one-year extension until July 2023. An appraisal was reviewed by cabinet to include an in-house service provision. A decision was made to re-procure externally to the market and an IMD was signed by the mayor to allow a 9-month period to provide a continuation of service while a two-stage restricted tender takes place to award a contractor.

Scope of Contract

The objective of this procurement is to reprocure the cleaning and associated services contract across the corporate estate. The Leisure centres are also included in this procurement and the services have been scoped and quotes provided for the purpose.

The contract/service will provide services to

- 1. Administration buildings
- 2. Libraries and the award-winning Idea Stores
- 3. Children's Centre's Youth centres
- 4. Park buildings
- 5. Town Hall
- 6. Registrar offices
- 7. Event Spaces
- 8. Community Spaces
- 9. THH administration spaces
- 10. Leisure centres

The services we will deliver are.

- 1. Routine Cleaning
- 2. Deep Cleaning
- 3. Façade, external cleaning
- 4. Sanitary Services
- 5. Window cleaning
- 6. Janitor services
- 7. SOR additional services

There are currently 99,000 hours being provided on the current contract per annum and 62% of staff on the contract currently live in Tower Hamlets borough. TUPE will apply and the London Living Wage applies to this opportunity.

The impact of these services will have on the community is a positive one, it will provide a pleasant clean and welcoming environment for the public when visiting administration and public buildings. It will also provide the opportunity for local employment. The incumbent contractor has recruited many residents from LBTH, and these residents will have TUPE rights of transfer to a new contract.

It is expected that the market will be cautious due to the current financial climate. By offering a 3 plus 1-year duration, this will likely encourage some projected risk to investment for the provider. A market engagement meeting will take place in early October where we will engage the market to obtain feedback to inform the appraisal documents.

Historic Cost

The cost to date for the cleaning and associated services for the current contract (DR5116) is approximately. £9m in total over the four-year term. Of that figure, £700k was recharged to other directorates. In addition, approximately £500k pa is recharged to the HRA.

Projected Costs of the Laisure Centers.

Costs for the inclusion of leisure centers had quotes prepared and these amount to £800k, total value over 4 years – It is expected that the first year would have the highest costs, as it was anticipated to reduce year on year. This is because Job descriptions for Leisure centers contain a large proportion of cleaning. It is anticipated that not all staff may TUPE with this part cleaning JD's and the projections are to support the time for any necessary recruitment to take place across the sites. Leisure centers currently have an approved spend for the first year only. The first-year costs were a part of the

overall growth bid for the service to be brought in-house. Any risk is reduced due to a caveat in the proposed cleaning contract to support legal and financial variation to contract, due to the accommodation strategy and possible service changes. Leisure Centers can be reduced or removed, if necessary, without issue.

Proposed Costs

New Contract Annual Proposed Costs	
Current budget	1,850,000.
Leisure Centre costs	£200,000.
10% inflation increase on projected budget	£214,100
Projected value of THH spend	£91,000.
Total Annual Spend Estimated	2,355,100.

Contracting Approach

The contracting approach will be finalised after completing the pre-sourcing activities which may include the analysis of the business need, market analysis / market engagement and development of the sourcing strategy. The procurement will be compliant with the Council's Procurement Procedures and The Public Contracts Regulations 2015 (as amended by the EU Exit Regulations 2020).

Community Benefits

Social Value will have 10% overall weighting in the tender evaluation process with the requirements being developed and defined during the preparation of the Tender Pack. This will include consideration of Social Value benefits that can reasonably be delivered within the proposed contract.

Examples of Community Benefits may include

- Continued new employment to achieve 80% of residents living in Tower Hamlets (currently @ 75%) •
- Apprenticeships for all levels of staff including mangement roles •
- Attendance at job fares. •
- Sponsorship of local charities including Youth services,

The Proposed Weighting for the contract is as follows

The Quality / Price ratio is 50/40 and social value 10% (as stipulated by the framework)		
Quality – Technical Questions 50%		
Price 40 %		
Social value 10%		
Total 100%		

Contract Ref & Title	HAR5945 Rooftop New Homes		
Procurement Category:	Construction & FM	Contract Duration & Extensions:	30 months: March 2024 – September 2026
One-Time / Recurrent	One-Time		
Cost Code	19176 (Capital)	Funding Source:	□General Fund ⊠Capital ⊠ HRA ⊠Grant □ Reserves □S106 □Revenue Generating
Value Total:	£20 m	Statutory / Non- Statutory	Non Statutory
Value Per Annum:	£8 m per annum	Budget	£8m per annum
Current annual value	n/a	Revised Annual Contract	n/a
Savings Annual Value	Not Applicable		

Summary of how savings will be achieved

- 1. Single stage Design & Build (D&B) contract with fixed price. This allows certainty of the spend.
- 2. Procuring both schemes together under one contract so we have economy of scale.
- 3. Value for money is delivered over the long term by choosing the right materiality and design detail to age gracefully and produce relatively lower maintenance and reduced service charge for the residents lifecycle costing.

1.0 Background

The rooftop new homes programme comprises of the 2 schemes: 1-30 O'Leary Square located in Stepney Green ward and 2-20 Tomlinson Close in Weavers ward.

- 1.1 1 30 O'Leary Square, E1 3AP: This housing block currently has 28 1B/2P units and 1 3B/5P unit, and the current proposals are to build an additional 32 units both on the rooftop and as an infill development on the side of the block (along Mile End Road). These will be a mix of 29 1B/2P and 3 2B/4P units. An exoskeleton will be required to support the load of the newbuild units above, which incurs an additional cost. Exoskeleton is proposed to provide further amenity space, in the form of balconies/ground floor gardens for the existing residents. A link bridge is also proposed to connect the host block to its neighbouring block 31-74 O'Leary Square to enable residents share additional lift service. The above proposals of additional private amenity space and lift are appreciated by the residents (Feedback from the previous consultations).
- 1.2 2 20 Tomlinson Close, London, E2 7LJ: This housing block currently has 10 bedsits and is designated for people of the ages 50 and over. The latest proposal is to add a further 11 units both on the rooftop and

through an infill development at the side of the block. These will be a mix of 10 1B/2P and 1 2B/4P units. Like O'Leary Square, Tomlinson Close will also have an exoskeleton and the associated costs and amenity benefits.

2.0 Scope of Contract

- 2.1 The objective is to procure a single stage, fixed cost Design & Build contract to;
 - a) Deliver 46 rooftop new homes across O'Leary Square and Tomlinson Close.
 - b) Upgrade existing homes in the host blocks of the above schemes.
- 2.2 To achieve this the contract will be divided into three elements:
 - 2.2.1 A Pre-construction Service Agreement (PCSA) to ensure that all parties are covered in the event planning consent isn't granted the planning application is planned to be submitted in Nov 2023.
 - 2.2.2 A JCT Minor Works, to prepare the host blocks ready to receive the rooftops (enabling works). This could include elements of work such as site setup and protection, concrete repairs, window replacements and fire safety works.
 - 2.2.3 The full Design and Build Contract would then either run immediately after or concurrently. This route complies with point 2.4.40 of GLA guidance in relation to 'supportive works to a Project' in order to meet GLA's grant conditions.

3.0 Key Objectives

- 3.1 To deliver a high quality and affordable rooftop new homes pilot programme based on best practice in order to set a successful precedence for a number of rooftop schemes in the borough to follow.
- 3.2 To maximise the supply of rooftop homes that achieve high standard of internal space planning and common circulation spaces; adequate supply of day light and natural ventilation while taking fully into account height, massing, place making and townscape qualities.
- 3.3 To provide a planning compliant high quality design delivery programme by ensuring any structural capacity building, accessibility and/or future-proofing measures required for the proposed blocks are clearly identified and coordinated with the design and delivery of the block improvement works.
- 3.4 To deliver a rooftop new homes pilot programme that contributes to sustainable development and delivers value for money through a mix of affordable tenures without compromising on the essential elements of high-quality design; functionality, materiality and aesthetic approach.
- 3.5 To survey and recommend works to the external components of the buildings including roofs, rainwater goods, windows, concrete and brick repairs, asphalt walkways, asbestos removal, fire risk assessment works, communal electrical system, decorations to the external and communal areas all in accordance with the Employers Requirements.
- 3.6 To actively engage local residents through the delivery of the rooftop homes so they are fully on board.
- 3.7 To ensure all stakeholders are clear of their role, milestones and are made fully aware of the outcome of risks assessed and provide a baseline document against which the Programme Team LBTH Housing Regeneration Client Team, THH Project Delivery Team the Project Board and AHSB is signed up to.

4.0 Contracting Approach

4.1 We have completed the pre-sourcing activities which included the analysis of the business need, market analysis / market engagement and development of the sourcing strategy. We decided that

London Housing Consortium (LHC) is the best vehicle for this procurement. The scope of Framework H2 covers roof top development. This framework has already undergone a fully competitive and compliant process. Providers appearing on the framework have demonstrated their ability to deliver new build residential accommodation. It is proposed that we will further test providers on their specific experience of and capability to deliver our roof top development scheme withing the timescales required to secure GLA funding.

4.2 The procurement will be compliant with the Council's Procurement Procedures and The Public Contracts Regulations 2015 (as amended by the EU Exit Regulations 2020) and in line with the operating rules of the LHC framework.

5.0 Community Benefits

5.1 Social Value will have 10% overall weighting in the tender evaluation process with the requirements being developed and defined during the preparation of the Tender Pack. This will include consideration of Social Value benefits that can reasonably be delivered within the proposed contract.