


Cabinet 25 September 2019	 TOWER HAMLETS
Report of: Neville Murton – Corporate Director, Resources	Classification: Unrestricted
Contracts Forward Plan – Quarter Two (FY2019-2020)	

Lead Member	Councillor Candida Ronald, Cabinet Member for Resources & the Voluntary Sector
Originating Officer(s)	Zamil Ahmed – Head of Procurement
Wards affected	All wards
Key Decision?	Yes
Forward Plan Notice Published	3 June 2019
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 two of the current Financial Year. Only contracts which have not previously been reported are included in this report.

Recommendations:

Mayor in Cabinet is recommended to:

1. Consider the contract summary at Appendix 1, and identify those contracts about which specific reports – relating to contract award – should be brought before Cabinet prior to contract award by the appropriate Corporate Director for the service area
2. Confirm that the remaining contracts set out in Appendix 1 can proceed to contract award after tender

3. Authorise the Divisional Director , Legal Services to execute all necessary contract documents in respect of the awards of contracts referred to at recommendation 2 above
4. Review the procurement forward plan 2019-2022 schedule detailed in Appendix 2 and identify any contracts about which further detail is required in advance of the quarterly forward plan reporting cycle.

1. REASONS FOR THE DECISIONS

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

2. ALTERNATIVE OPTIONS

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

3. DETAILS OF THE REPORT

- 3.1 Council's procurement procedures and processes have undergone major improvements to ensure they are clear, concise and transparent. Our systems, documentations and guidance to suppliers have been transformed to ensure they reflect best practice in Public Sector procurement. Our efforts in maintaining effective dialogue with our bidders during the procurement process has helped to minimise procurement challenges.
- 3.2 To ensure the Council continues to be recognised for its sound procurement practices and effective engagement with the supply community, it is imperative that delays in contract award are minimised and adherence to the timetable outlined within our Invitation to Tender documentations.
- 3.3 The importance of procurement as an essential tool to deliver Councils wider social, economic and environmental aims has resulted in the need to ensure effective elected Member engagement in the pre-procurement and decision making process as identified in the recent Best Value audit.
- 3.4 This report provides the forward plan for quarter two of the current financial Year in Appendix 1, and gives Cabinet Members the opportunity to select

contracts about which they would wish to receive further information, through subsequent specific reports.

- 3.5 Additionally, the report also includes a Procurement Forward Plan 2019-2022 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 Q2 of the Financial Year. This plan lists all of the new contracts which have been registered with the Procurement Service, and which are scheduled for action during the reporting period.
- 3.7 Contracts which have previously been reported are not included in this report. Whilst every effort has been made to include all contracts which are likely to arise, it is possible that other, urgent requirements may emerge. Such cases will need to be reported separately to Cabinet as individual contract reports.
- 3.8 Cabinet is asked to review the forward plan of contracts, confirm its agreement to the proposed programme and identify any individual contracts about which separate reports – relating either to contracting strategy or to contract award – will be required before proceeding.
- 3.9 Equalities and diversity implications – and other One Tower Hamlets issues – are addressed through the Council’s Tollgate process which provides an independent assessment of all high value contracts, and ensures that contracting proposals adequately and proportionately address both social considerations and financial ones (such as savings targets). The work of the Strategic Procurement Board and Corporate Procurement Service ensures a joined-up approach to procurement.
- 3.10 The Tollgate process is a procurement project assurance methodology, which is designed to assist in achieving successful outcomes from the Council’s high value contracting activities (over £250K, for revenue contracts, and £5m, for capital works contracts which have not gone through the Asset Management Board approval system). All Tollgate reviews are presented to Strategic Procurement Board; contracts require approval of the Board before proceeding.

4. EQUALITIES IMPLICATIONS

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

5. OTHER STATUTORY IMPLICATIONS

5.1 This section of the report is used to highlight further specific statutory implications that are either not covered in the main body of the report or are required to be highlighted to ensure decision makers give them proper consideration. Examples of other implications may be:

- Best Value Implications,
- Consultations,
- Environmental (including air quality),
- Risk Management,
- Crime Reduction,
- Safeguarding,

Best Value Implications

5.2 The Council is required to consider the value for money implications of its decisions and to secure best value in the provision of all its services. The Council procures annually some £350m of supplies and services with a current supplier base of approximately 3,500 suppliers. The governance arrangements undertaking such buying decisions are set out in the Council's Procurement Procedures, which form part of the Financial Regulations.

5.3 Contracts listed in Appendix 1 are all subject to the Council's Tollgate process which involves a detailed assessment by Procurement Review Panel and Strategic Procurement Board of the procurement strategy to ensure compliance with existing policies, procedures and best value duties prior to publication of the contract notice

Sustainable Action for Greener Environment

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

Risk Management

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

Efficiency Statement

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

6. COMMENTS OF THE CHIEF FINANCE OFFICER

6.1 This is a quarterly update report on the Council's contract forward plan for 2019-20 which details the list of contracts that are due for renewal in the next 3-6 months (Appendix 1).

6.2 There are 22 specific contracts detailed in Appendix 1 with a cumulative annual value of £30.7m approx. and total contract value of £271.5m. The cost

of these contracts will be met through existing Capital and General Fund resources.

7. COMMENTS OF LEGAL SERVICES

- 7.1 The Council has adopted financial procedures for the proper administration of its financial affairs pursuant to section 151 of the Local Government Act 1972. These generally require Cabinet approval for expenditure over £250,000 for revenue contracts and £5m for capital works contracts.
- 7.2 Cabinet has approved procurement procedures, which are designed to help the Council discharge its duty as a best value authority under the Local Government Act 1999 and comply with the requirements of the Public Contract Regulations 2015. The procurement procedures contain the arrangements specified in the report under which Cabinet is presented with forward plans of proposed contracts that exceed specified thresholds. The arrangements are consistent with the proper administration of the Council's financial affairs.
- 7.3 Pursuant to the Council's duty under the Public Services (Social Values) Act 2012, as part of the tender process and where appropriate, bidders will be evaluated on the community benefits they offer to enhance the economic social or environmental well-being of the borough. The exact nature of those benefits will vary with each contract and will be reported at the contract award stage. All contracts delivered in London and which use staff who are ordinarily resident in London will require contractors to pay those staff the London Living Wage. Where workers are based outside London an assessment will be carried out to determine if the same requirement is appropriate.
- 7.4 When considering its approach to contracting, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who do not (the public sector equality duty). Officers are expected to continuously consider, at every stage, the way in which procurements conducted and contracts awarded satisfy the requirements of the public sector equality duty. This includes, where appropriate, completing an equality impact assessment as part of the procurement strategy, which is then considered as part of the tollgate process

Linked Reports, Appendices and Background Documents

Linked Report

- None

Appendices

- Appendix 1 – new contracts planned: Q2 of the Financial Year and beyond.
- Appendix 2 - Procurement Forward Plan 2019 -2022

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

- NONE

Officer contact details for documents:

- N/A

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

Contract Ref & Title	R5603 Microsoft Licences for Applications and Servers		
Procurement Category:	Corporate Services	Funding:	Revenue
Invitation to Tender <input type="checkbox"/> Contract Signature <input type="checkbox"/>	2019	Contract Duration and Extensions:	3 Years
Value P/A:	£1,428,000	Value Total:	£4,284,000
Reviewed by Competition Board <input type="checkbox"/>	27/08/2019	<input checked="" type="checkbox"/> London Living Wage <input type="checkbox"/> New Procurement <input type="checkbox"/> Collaboration <input checked="" type="checkbox"/> Re-procurement of existing Contract	

Scope of Contract

The current licences for Microsoft applications and servers expire at the end of March 2020. It is imperative that these are renewed to run and operate services that are reliant on IT. The Council has a strategy to move to Microsoft Azure cloud servers, Windows 10 and Office 365, to modernise the IT infrastructure and to offer more flexibility to the workforce. The scope of this contract is to procure three years' licences for Microsoft applications and servers.

Contracting Approach

The Crown Commercial Services framework, (e.g. G-Cloud or Data and Applications Solutions) will be used to procure the required licenses. The contract value is an estimate with contingency due to the market volatility caused by Brexit. The annual value should be 10% to 15% less than the stated annual value.

Community Benefits

Community benefits commensurate with the contract size will be sought from the provider through the tender process.

Contract Ref & Title	R5598 IT Support Services Framework		
Procurement Category:	Corporate Services	Funding:	Revenue
Invitation to Tender <input checked="" type="checkbox"/> Contract Signature <input type="checkbox"/>	22/08/2019	Contract Duration and Extensions:	48 months
Value P/A:	£855,000	Value Total:	Est £3.4 million
Reviewed by Competition Board <input type="checkbox"/>	27/08/2019	<input checked="" type="checkbox"/> London Living Wage <input type="checkbox"/> New Procurement <input type="checkbox"/> Collaboration <input checked="" type="checkbox"/> Re-procurement of existing Contract	

Scope of Contract

This proposal is to establish an LBTH Framework to facilitate the commissioning of professional services currently secured through the BLOOM Framework. The Bloom Framework charges a levy of 5% on all orders and this additional cost will be saved along with a considerable amount of duplicated administration.

The Framework will be set up to provide IT resources that will meet the needs of the IT Transformation process over the next two years and for two years beyond that. It will comprise of two providers – a lead or prime provider and a back-up provider to be called upon in the event of capacity or performance issues. It will be versatile enough to cater for all upcoming IT project resourcing needs. This project is part of the corporate strategy to reduce the use and therefore the cost of external Frameworks. In this case, the cost of using the Bloom Framework is 5% on all commissions, and this will be the immediate saving.

Contracting Approach / Community Benefits

A Framework tendered via the open market using an EU-compliant Open procedure

Contract Ref & Title	R5432 Recruitment System		
Procurement Category:	Corporate Services	Funding:	Revenue
Invitation to Tender <input type="checkbox"/> Contract Signature <input type="checkbox"/>	2019	Contract Duration and Extensions:	3 years plus 2 years
Value P/A:	£68,000	Value Total:	£340k
Reviewed by Competition Board <input type="checkbox"/>	27/08/2019	<input checked="" type="checkbox"/> London Living Wage <input type="checkbox"/> New Procurement <input type="checkbox"/> Collaboration <input checked="" type="checkbox"/> Re-procurement of existing Contract	

Scope of Contract

The council's current applicant tracking system has been in place since 2010. In the subsequent years its capabilities have become limited compared to other like-for-like recruitment systems and requires considerable manual intervention to complete the end-to-end recruitment processes.

The benefits to be realised are as follows:

- An improved user experience for applicants which promotes the council as an employer of choice;
- Automated streamlined end-to-end workflow processes, with access through multiple devices ;
- Flexibility of reporting to meet the needs of services;
- Creation of talent pools and dedicated microsites for specialist vacancies to attract top talent to the council including hard-to-fill roles;
- Onboarding functionality to ensure a seamless process of integrating a new employee into the organisation is seamless.

Contracting Approach / Community Benefits

It is proposed that procurement is through an open tender process to enable a wide variety of organisations to submit bids through open competition. Community benefits commensurate with the contract size will be sought from the provider through the tender process.

Contract Ref & Title	R5600 Support and Maintenance for the Civica Contracts		
Procurement Category:	Corporate Services	Funding:	Revenue
Invitation to Tender <input checked="" type="checkbox"/> Contract Signature <input type="checkbox"/>	02/09/2019	Contract Duration and Extensions:	2 plus, 1 + 1 year.
Value P/A:	£315,000	Value Total:	£1,300,000
Reviewed by Competition Board <input type="checkbox"/>	27/08/2019	<input checked="" type="checkbox"/> London Living Wage <input type="checkbox"/> New Procurement <input type="checkbox"/> Collaboration <input checked="" type="checkbox"/> Re-procurement of existing Contract	

Scope of Contract

The Council has novated around 80 contracts that were procured and managed on its behalf by Agilisys in April 2019. As part of the strategic contract management planning, the IT Service is required to ensure that there is support and maintenance for the applications listed below until 31 March 2022.

- Arbitas, Novalet, APP, Comino (Workflow 360), OPENRevenues, iCasework

This will enable the term of the contracts to be co-terminus with the contracts for the Northgate system for benefits and will enable the proposed procurement of a consolidated system, rather than standalone applications.

Contracting Approach / Community Benefits

The contracting approach is for a single vendor call-off from the RM3821 Data and Applications Solutions (DAS), which is a Crown Commercial Service Framework, for the support and maintenance of the above mentioned applications.

Contract Ref & Title	THH5584 Domestic Heating (servicing, planned preventative maintenance and repair) Term Contract		
Procurement Category:	Construction & FM	Funding:	Delegated
Invitation to Tender <input checked="" type="checkbox"/> Contract Signature <input type="checkbox"/>	01/03/2020	Contract Duration and Extensions:	5 years plus 3 year extension plus 2 year
Value P/A:	£1.7m (includes 20% contingency sum)	Value Total:	£19.2M (includes 20% contingency sum)
Reviewed by Competition Board <input type="checkbox"/>	27/08/2019	<input type="checkbox"/> London Living Wage <input type="checkbox"/> New Procurement <input type="checkbox"/> Collaboration <input type="checkbox"/> Re-procurement of existing Contract	

Scope of Contract

Re-procurement of the Domestic Heating (servicing, planned preventative maintenance and repair) Term Contract, which includes: Gas servicing - safety checks/certs, Gas carcassing checks, Smoke detector testing Gas repairs, ad-hoc boiler installations. This is a Three Star (Domestic Heating) Service.

Contracting Approach/ Community Benefits

The current Repairs and Maintenance contract includes Domestic Gas Servicing. This element will not be included in the re-procurement of the repairs contract, but will be procured via a stand-alone contract starting with this contract. This service will be removed from the RM contract and let under a separate contract that will commence in tandem with the new repairs contract. Splitting out these contracts is believed to offer greater opportunities to suppliers who do not undertake Domestic Gas Servicing as a core part of their business. Creating more opportunity for suppliers to tender should encourage competitive pricing. Resident consultation supports this approach.

The Contract Duration is 10 years in total with an initial period of 5 years plus 3 year extension plus 2 year extension. This should provide sufficient continuity to a contractor to achieve savings over the life of the contract. Each extension will be subject to a performance review. Contingency of 20% has been included in the £1.7m estimated annual value of the replacement contract. This will allow THH to react to regulatory and operational change. Total contract value includes a provision for 2.5% inflationary uplift. An annual 1% efficiency saving will be included in the Client Requirements

Community benefits commensurate with the contract size will be sought from the provider through the tender process.

Contract Ref & Title	THH5585 Fire Safety (servicing, planned preventative maintenance and repair)Term Contract		
Procurement Category:	Construction & FM	Funding:	Delegated
Invitation to Tender <input checked="" type="checkbox"/> Contract Signature <input type="checkbox"/>	01/03/2020	Contract Duration and Extensions:	5 years plus 3 year extension plus 2 year
Value P/A:	£165k (includes 20% contingency)	Value Total:	£1.8M (includes 20% contingency)
Reviewed by Competition Board <input type="checkbox"/>	27/08/2019	<input checked="" type="checkbox"/> London Living Wage <input type="checkbox"/> New Procurement <input checked="" type="checkbox"/> Collaboration <input checked="" type="checkbox"/> Re-procurement of existing Contract	

Scope of Contract

Re-procurement of Fire the Fire Safety (servicing, planned preventative maintenance and repair) Term Contract, which includes: Detection, Fire Extinguishers, Refuse Bin Chutes (sprinkler), Fire Equipment, Lightning Conductors

Contracting Approach / Community Benefits

The current repairs and maintenance contract includes fire safety and compliance works. This element will not be included in the re-procurement of the repairs contract, but will now be procured as a stand-alone contract.

Splitting out these contracts is believed to offer greater opportunity to suppliers carry out fire safety works as the core part of their business. This will Create more opportunity for suppliers to tender and should encourage competitive pricing. Resident consultation on options for which services should be included in the Repairs and maintenance contract supported this approach.

The Contract Duration is 10 years in total with an initial period of 5 years plus 3 year extension plus 2 year extension. This should provide sufficient continuity to a contractor to achieve savings over the life of the contract. Each extension will be subject to a performance review. Ccontingency of 20% has been included in the £165k estimated annual value of the replacement contract. This will allow THH to react to regulatory/operational change. Total contract value includes a provision for 2.5% inflationary uplift. An annual 1% efficiency saving will be included in the Client Requirements

Community benefits commensurate with the contract size will be sought from the provider through the tender process.

Contract Ref & Title	THH5586 Repairs, Maintenance and Minor Planned Works Term Contract		
Procurement Category:	Construction & FM	Funding:	Delegated
Invitation to Tender <input checked="" type="checkbox"/> Contract Signature <input type="checkbox"/>	01/03/2020	Contract Duration and Extensions:	5 years plus 3 year extension plus 2 year
Value P/A:	£16.3m	Value Total:	£183M
Reviewed by Competition Board <input type="checkbox"/>	27/08/2019	<input checked="" type="checkbox"/> London Living Wage <input type="checkbox"/> New Procurement <input checked="" type="checkbox"/> Collaboration <input checked="" type="checkbox"/> Re-procurement of existing Contract	

Scope of Contract

Re-procurement of the Repairs, Maintenance and Minor Capital Works Term Contract, which includes: Domestic Property Repairs and Maintenance, Communal Areas Repairs and Maintenance (including electrical and emergency lighting testing and repair). Cyclical servicing, testing and associated remedial works

- Voids
- Asbestos management
- Disrepair
- Emergency Call Out
- Occasional Commercial property repairs and maintenance
- Play Areas
- ASB Improvements
- Estate Curtilage Works
- Out of Hours Call Handlin
- Aids and Adaptations
- Neighbourhood Action Plans
- Employment/Training Initiatives

Contracting Approach/ Community Benefits

The current contract includes Domestic Gas Servicing, Communal Plant, smaller Fire Risk and Compliance related work. These areas will all be removed from this contract and let under separate combined contracts offering greater opportunities to suppliers who undertake these works as a core part of their business. Creating more opportunities for suppliers to tender should encourage competitive pricing. Resident consultation on options for which services should be included in the Repairs and maintenance contract support this approach.

The Contract Duration is 10 years in total with an initial period of 5 years plus 3 year extension plus 2 year extension. This should provide sufficient continuity to a contractor to achieve savings over the life of the contract. Each extension will be subject to a performance review. Contingency of 20% has been included in the £16.3m estimated annual value of the replacement contract. This will allow THH to react to regulatory and operational change. Total contract value includes a provision for 2.5% inflationary uplift. An annual 1% efficiency saving will be included in the Client Requirements

Community benefits commensurate with the contract size will be sought from the provider through the tender process.

Contract Ref & Title	THH5593 Communal Mechanical Plant (servicing, planned preventative maintenance and repair) Term Contract		
Procurement Category:	Construction & FM	Funding:	Delegated
Invitation to Tender <input checked="" type="checkbox"/> Contract Signature <input type="checkbox"/>	01/03/2020	Contract Duration and Extensions:	5 years plus 2 year extension plus 2 year
Value P/A:	£2.3m (includes 20% contingency sum)	Value Total:	£22.6M (includes 20% contingency sum)
Reviewed by Competition Board <input type="checkbox"/>	27/08/2019	<input checked="" type="checkbox"/> London Living Wage <input type="checkbox"/> New Procurement <input type="checkbox"/> Collaboration <input checked="" type="checkbox"/> Re-procurement of existing Contract	

Scope of Contract

Repair and Maintenance of Communal Mechanical Plant (i.e. servicing, planned preventative maintenance and repair) Term Contract, which includes:

- L8 Risk Assessments, Servicing visits, Water Tank, Boosted water, Communal Hot Water Temperature
- Communal Plant, Dry Risers, Electrical Intakes, Roof Fans, Boosted water, Communal Plant Roof Fans

Contracting Approach

Communal Plant is currently undertaken under the existing repairs contract by variation to the contract. This service and a number of smaller Fire Risk and Compliance related work areas will be removed from the RM contract and let under separate combined contracts that will commence in tandem with the new repairs contract. Splitting out these contracts is believed to offer greater opportunities to suppliers who do not undertake Communal Plant (heating and water services) as a core part of their business. Creating more opportunity for suppliers to tender should encourage competitive pricing. Resident consultation supports this approach.

The Contract Duration is 9 years in total with an initial period of 5 years plus 2 year extension plus 2 year extension. This should provide sufficient continuity to a contractor to achieve savings over the life of the contract. Each extension will be subject to a performance review. Contingency of 20% has been included in the £2.3m estimated annual value of the replacement contract. This will allow THH to react to regulatory/operational change. Total contract value includes a provision for 2.5% inflationary uplift. An annual 1% efficiency saving will be included in the Client Requirements

Community benefits commensurate with the contract size will be sought from the provider through the tender process.

Contract Ref & Title	P5602 Supply of Waste and Recycling Sacks and Starch Liners		
Procurement Category:	Corporate Services	Funding:	General Fund
Invitation to Tender <input checked="" type="checkbox"/> Contract Signature <input type="checkbox"/>	01/10/2019	Contract Duration and Extensions:	2.years and 4 months (1 st December 2019 to 31 st March 2022)
Value P/A:	£300,000	Value Total:	£700,000
Reviewed by Competition Board <input checked="" type="checkbox"/>	27/08/2019	<input type="checkbox"/> London Living Wage <input checked="" type="checkbox"/> New Procurement <input type="checkbox"/> Collaboration <input type="checkbox"/> Re-procurement of existing Contract	

Scope of Contract

This project is for the procurement of a contract for the supply of waste and recycling sacks [and starch liners] to support the delivery of the waste and recycling collection and street cleansing services that will be delivered in house from 1st April 2020.

The waste and recycling collection and street cleansing services will require the purchase of a variety of waste and recycling sacks and starch liners to support the delivery of household residual waste, dry recycling and food waste collections. Also, the delivery of commercial residual waste and dry recycling collections (with the potential that commercial food waste collections may be offered in the future and also to support the collection of street litter and litter bin arising.

The value of the contract has been based on historical expenditure by the council's current waste and cleansing contractor and estimations of anticipated expenditure due to growth and service improvement. The requirement to pay London Living Wage is not appropriate for this contract. The suppliers of these products are located outside of the Greater London Area and the staff engaged by the suppliers would not work solely on the Tower Hamlets supply contract.

Contracting Approach

To be procured through an existing Framework contract the Braintree Framework Ref PROC17-0110

Community Benefits

Given the nature of the contract and the location of the suppliers in this market place, being outside of London, there is likely to be limited opportunities for the supplier to provide additional community benefits. The Social Value Matrix for this procurement will look to include the type of benefits that may appropriately be delivered by this supplier group.

Contract Ref & Title	P5601 Supply and Repair of Wheeled Bins, Euro Bins and Food Waste Caddies		
Procurement Category:	Corporate Services	Funding:	General Fund
Invitation to Tender <input checked="" type="checkbox"/> Contract Signature <input type="checkbox"/>	01/10/2019	Contract Duration and Extensions:	2 years and 4 months (1 st December 2019 to 31 st March 2022)
Value P/A:	£250,000	Value Total:	£585,000
Reviewed by Competition Board <input checked="" type="checkbox"/>	27/08/2019	<input type="checkbox"/> London Living Wage <input checked="" type="checkbox"/> New Procurement <input type="checkbox"/> Collaboration <input type="checkbox"/> Re-procurement of existing Contract	

Scope of Contract

This project is for the procurement of a contract for the supply and repair of waste and recycling wheeled bins, euro bins and food waste caddies to support the delivery of the waste and recycling collection and street cleansing services that will be delivered in house from 1st April 2020.

The waste and recycling collection and street cleansing services will require the purchase of a variety of types and sizes of wheeled bins and euro bins [and food waste caddies] to support the delivery of household residual waste, dry recycling and food waste collections. Also, the delivery of commercial residual waste and dry recycling collections (with the potential that commercial food waste collections may be offered in the future and the street cleansing services.

The value of the contract has been based on historical expenditure by the council's current waste and cleansing contractor and estimations of anticipated expenditure due to growth and service improvement

The requirement to pay London Living Wage is not appropriate for this contract. The suppliers of these products are located outside of the Greater London Area and the staff engaged by the suppliers would not work solely on the Tower Hamlets supply contract

Contracting Approach

The contract will be procured through the existing ESPO Framework 860_18 (Refuse and Recycling Products including wheeled bins)

Community Benefits

Given the nature of the contract and the location of the suppliers in this market place, being outside of London, there is likely to be limited opportunities for the supplier to provide additional community benefits. The Social Value Matrix for this procurement will look to include the type of benefits that may appropriately be delivered by this supplier group.

Contract Ref & Title	P5604 Training and Education Services Dynamic Purchasing System (DPS)		
Procurement Category:	Corporate Services	Funding:	Revenue
Invitation to Tender <input checked="" type="checkbox"/> Contract Signature <input type="checkbox"/>	01/11/2019	Contract Duration and Extensions:	3 years with the option to extend for 3 years in 12 months periods
Value P/A:	£1.6m	Value Total:	£10millions (see scope)
Reviewed by Competition Board <input type="checkbox"/>	27/08/2019	<input type="checkbox"/> London Living Wage <input type="checkbox"/> New Procurement <input type="checkbox"/> Collaboration <input type="checkbox"/> Re-procurement of existing Contract	

Scope of Contract

The council is seeking to set up a flexible procurement vehicle to procure training solutions that meet the organisation's Learning and Development needs as well as any other training and education requirements for our internal staff, external partners and our local residents.

Any training that falls within the apprenticeship levy is excluded from the scope of this procurement. It is the intention of the Council to open the DPS to other London local authorities, THH and LBTH schools. The DPS will cover a wide range of accredited and non-accredited training areas although this will not be an exhausted list: health and safety, ICT skills; functional skills, employability skills; etc. This does not preclude the need for services to procure outside of the DPS when required.

Contracting Approach

A Dynamic Purchasing system will allow a flexible approach permitting training providers in the market to submit applications at any time during the life of the contract.

Packages of training will be procured as and when needed and inviting all the approved suppliers.

Community Benefits

Residents will be able to access a range of work-focused training to improve their social mobility and have equal access to opportunities. Work focused training opportunities will give residents better access to the local labour market by ensuring they have received extensive training for particular sectors equipping them to be more job ready. Increased opportunity to access higher skilled and better paid jobs above the national minimum wage via training will see fewer families at risk of financial exclusion. Effective tangible training opportunities will improve residents' well-being, ensuring they are more socially included by engaging them with progressive activities, supporting them to achieve aspirations and aiming to reduce generational unemployment. This will add value to sustainable interventions in line with Tower Hamlets' Growth and Economic Development Plan 2018.

Contract Ref & Title	P5605 Supply of fuel for corporate fleet vehicles		
Procurement Category:	Corporate Services	Funding:	General Fund
Invitation to Tender <input type="checkbox"/> Contract Signature <input type="checkbox"/>	14/10/2019	Contract Duration and Extensions:	2 year plus 1 year extension
Value P/A:	£800k	Value Total:	£2.4m for 3 years
Reviewed by Competition Board <input type="checkbox"/>	27/08/2019	<input type="checkbox"/> London Living Wage <input checked="" type="checkbox"/> New Procurement <input type="checkbox"/> Collaboration <input type="checkbox"/> Re-procurement of existing Contract	

Scope of Contract

The contract is for the supply of fuel for corporate fleet vehicles, utilising fuel tank facilities on Council premises and particularly at Blackwall depot. The Council currently has three diesel fuel storage tanks located on its premises:

- 33,000 litre tank used by Veolia in TSU area of Blackwall Depot
- 10,000 litre tank - Civil Protection emergency storage in TSU are of Blackwall Depot
- 10,000 litre tank – Civil Protection emergency storage in Toby Lane Depot

In spite of the above facilities the vast majority of the Council's 170 vehicle Fleet have to draw fuel using the 'All Star' fuel card system at petrol stations paying forecourt prices. The Council currently spends approximately £20k per month on fuel through this system. The change to an in house waste service next April creates an opportunity to improve and rationalise fuel storage and management. The contract is essential to supply the Council's new waste services' fleet from April 2020 utilising the 33,000 litre tank at Blackwall depot which will transfer to the Council on the expiry of the waste services contract with Veolia. Veolia have a fuel management system attached to the diesel tank and dispenser from the Triscan company to record the quantity of diesel drawn by a vehicle on each fuelling.

Contracting Approach / Community Benefits

The total estimated cost of fuel for all projected vehicles (including waste services) is £800k if sourced through Crown Commercial Services Framework. (RM3801) which is already used for the Civil Protection team. This would save at least 10% on the 'forecourt' price. Thus if the new enlarged Fleet draw their fuel through the infrastructure available at depots, and the diesel were sourced at a framework price, saving of £80k per annum could be generated.

Community benefits commensurate with the contract size will be sought from the provider through the tender process.

Contract Ref & Title	P5606 Vehicle maintenance		
Procurement Category:	Corporate Services	Funding:	General Fund
Invitation to Tender <input checked="" type="checkbox"/> Contract Signature <input type="checkbox"/>	16/09/2019	Contract Duration and Extensions:	84 months (5 years with 2 year extension)
Value P/A:	£918k (averaged pa)	Value Total:	£6,428,000 total over 7 years (including extension period)
Reviewed by Competition Board <input type="checkbox"/>	27/08/2019	<input type="checkbox"/> London Living Wage <input checked="" type="checkbox"/> New Procurement <input type="checkbox"/> Collaboration <input type="checkbox"/> Re-procurement of existing Contract	

Scope of Contract

The procured contract will provide vehicle maintenance services primarily for the new waste/recycling/cleansing fleet of the in house service operating from the end of March 2020. The intention is for the service to operate from Blackwall Depot. The provision of this contract will enable the waste, recycling and cleansing services to function as planned and as envisaged when the Mayor in Cabinet on 31st October 2018 agreed to insource the service. The contract is therefore essential to ensure that the Council is able to manage the public realm environment for the benefit of community.

The contract term is sufficient to cover the fleet procurement cycle of a refuse collection vehicle and is sufficient length to give return on the expected improvement and investment in depot facilities by the service provider.

Contracting Approach / Community Benefits

The procurement will utilize an existing fleet management services framework (YPO 921). Community benefits commensurate with the contract size will be sought from the provider through the tender process.

Contract Ref & Title	HAC5608 Dementia Inclusion and Café Service		
Procurement Category:	Health and Social Care	Funding:	Integrated Commissioning (NB currently funded through Better Care Fund arrangements).
Invitation to Tender <input checked="" type="checkbox"/> Contract Signature <input type="checkbox"/>	November 2019	Contract Duration and Extensions:	3 years (plus 2 year extension)
Value P/A:	£79,901 (up to)	Value Total:	£399,505
Reviewed by Competition Board <input checked="" type="checkbox"/>	27/08/2019	<input type="checkbox"/> London Living Wage <input type="checkbox"/> New Procurement <input type="checkbox"/> Collaboration <input checked="" type="checkbox"/> Re-procurement of existing Contract	

Scope of Contract

The service is an integral element of the wider approach of meeting LBTH and national Dementia strategy:

Ageing strategy 'Living well with dementia' - ensuring that families are supported to continue to care for their relative with dementia for as long as is practicably possible and providing a range of services specifically focused on supporting people to live well with their dementia. LBTH is committed to making Tower Hamlets a Dementia Friendly Borough by 2020. Mental Health Strategy 2014-19, includes a commitment to work specifically to raise awareness of dementia, and do more to support people with dementia and their carers to access peer support. Prime Minister's Challenge on Dementia 2020 - Improving access to relevant advice and support to help and advise on what happens after a diagnosis and the support available through the journey.

Key Service Aims:

- Increase the numbers of people from Bangladeshi and other BME communities receiving diagnosis and mainstream services available on the dementia pathway.
- Raise awareness of dementia, increase knowledge and reduce stigma within Bangladeshi and other BME communities.
- Identify unmet needs through case finding - Identify, connect and support individuals and carers to access appropriate services at the earliest opportunity.
- Reduce isolation of people with dementia.
- Reduce the number of people with dementia who have not received a diagnosis and do not access services until crisis point has been reached.
- Provide one to one casework to people with dementia and their carers to ensure people can access the appropriate services at the right time.

Contracting Approach

We intend to go through an open tender for the service; this is in line with both internal procurement policy and also EU procurement regulations. We intend to tender this service as two separate Lots as block contracts for a period of 3 years (plus 2 year extension) commencing on 1st April 2020. We will undertake extensive market engagement to ensure a broad range of stakeholders, service users, families and carers inform the service model transformation.

Community Benefits

Community Outreach – the service will work with other services such as primary care, community-based organisations and other organisations such as schools to raise awareness of the service amongst hard-to-reach communities as an expert resource/point of contact for professionals or Tower Hamlets residents wishing to refer patients for one-to-one community based support available through the proposed service.

Contract Ref & Title	CS5607 Autism Support Service		
Procurement Category:	Health and Social Care	Funding:	Revenue
Invitation to Tender <input checked="" type="checkbox"/> Contract Signature <input type="checkbox"/>	2019	Contract Duration and Extensions:	3 years plus 1 year plus 1 year
Value P/A:	£70,000 - £80,000	Value Total:	£350,000 – £400,000
Reviewed by Competition Board <input checked="" type="checkbox"/>	27/08/2019	<input type="checkbox"/> London Living Wage <input type="checkbox"/> New Procurement <input type="checkbox"/> Collaboration <input checked="" type="checkbox"/> Re-procurement of existing Contract	

Scope of Contract

A significant proportion of children in Tower Hamlets have a disability with a high level of need. As such, the local authority needs to provide regular support to the families. There are a number of children and young people with Autistic Spectrum Disorder (ASD) needs on the disabled children's database. Diagnosis of ASD is made via the ASDAS Service. This recommissioned service, will be expected to work in partnership with ASDAS to ensure support to families of diagnosed children and young people.

The London Borough of Tower Hamlets is looking for an appropriate origination, with experience, innovation and flexible strategies, to provide support to families to help them to meet the needs of their ASD children, including (but not limited to) behaviour management and communication. The service will be required to take into consideration any national policy drivers that are relevant to ASD children and young people aim to improve their outcomes. The key drivers that should underpin this recommissioned service are:

- Early intervention
- Supporting parents and families
- Localisation through working in partnership with local organisations.

Contracting Approach

We intend to procure the contract via an open tender procedure; this is in line with both internal procurement policy and also EU procurement regulations. The service specification will be agreed by the Family Support & Protection and Children with Disabilities Team, ensuring it meets the needs of Tower Hamlets children and young people. The proposed duration of the contract is 36 months with the option to extend for a further 24 month on a 12month plus 12month basis.

Community Benefits

The contract will highlight community benefits including, and where possible, local recruitment and local resourcing, we expect at a minimum that the successful provider commit to local recruitment.

Contract Ref & Title	HAC5609 Heather Lodge and Glaucus Street		
Procurement Category:	Commissioning and Care	Funding:	General Fund
Invitation to Tender <input type="checkbox"/> Contract Signature <input type="checkbox"/>	September 2019	Contract Duration and Extensions:	3 + 1 + 1 (5 years)
Value P/A:	£370,000	Value Total:	£1,850,000 (Over 5 Years)
Reviewed by Procurement Panel <input checked="" type="checkbox"/>	27/08/2019	<input checked="" type="checkbox"/> London Living Wage <input type="checkbox"/> New Procurement <input type="checkbox"/> Collaboration <input checked="" type="checkbox"/> Re-procurement of existing Contract	

Scope of Contract

This contract is delivered across 2 distinct buildings, which offer high medium and low support provision providing a holistic service that delivers against all areas of the mental health accommodation pathway, supporting 29 people towards recovery at any one time.

The service is intended for service users with a mental health problem. With an emphasis on supporting the transition for service users who may have had a significant admission to institutional care, the service will have a strong focus on supporting service users with their journey towards recovery and independence. The service will provide support to individuals who are currently subject to Care Programme Approach arrangements, to assist them to develop and maintain maximum levels of independence.

The service is required to ensure there is a psychological and physical distinction between the high support (Heather Lodge) and move on/step down units (Glaucus Street) ensuring that staff and service users are able to clearly identify the step down scheme 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 4 years in Heather Lodge and 2 years in Glaucus Street (the step down scheme). A support service is provided 24 hours a day 365 days per year with tailored flexible support delivered in accordance with need.

Contracting Approach

The preferred procurement approach is to undertake an open OJEU tender. 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. The tender will offer a 3 plus 1 plus 1 contract to give both stability to service and facilitate changes and focusing to meet future as well as current need.

Community Benefits

Suppliers are asked to submit innovative initiatives which can be measured and monitored throughout the lifetime of this contract. Suppliers are asked to select appropriate outputs according to the contract value and type of service they are bidding for. For Supporting People Contracts, suppliers are asked to meet targets such as below:

- Funding, contribution and attendance at a minimum of 1 local job fair per annum.
- Commitment to local apprenticeships, trainees, volunteers and graduates that will be employed annually throughout the lifetime of the contract. This should include opportunities for career progression for local people employed within the contract.
- percentage of agency staff that will be recruited via local recruitment agencies in Tower Hamlets
- percentage of vacancies within the service that will be recruited from the local community.
- Number of support programme placements organisation will be able to provide to assist people with Learning Disabilities; Physical Disabilities or Mental Health problems get into paid employment.
- Details of any programmes, placements or opportunities organisation will be able to offer to assist unemployed people back into work

Contract Ref & Title	P5590 Live In Guardians		
Procurement Category:	Corporate Services	Funding:	Nil Cost Contract
Invitation to Tender <input type="checkbox"/> Contract Signature <input type="checkbox"/>	2019	Contract Duration and Extensions:	4 Years
Value P/A:	Circa £500k	Value Total:	Notional Value Up to £500,000.
Reviewed by Competition Board <input type="checkbox"/>	27/8/2019	<input checked="" type="checkbox"/> London Living Wage <input type="checkbox"/> New Procurement <input type="checkbox"/> Collaboration <input checked="" type="checkbox"/> Re-procurement of existing Contract	

Scope of Contract

This contract will provide Live in Guardian services to non-domestic Council assets including administrative offices, children's centres, community centres, libraries and shops. The guardian service will ensure that specific empty Council buildings avoid illegal occupation by squatters. It will support the maintenance of the fabric of the sites and avoid dereliction. Having guardians in the council properties will allow vacant possession within reasonable time frame to enable the council to deliver strategic accommodation plans. The contract will not be exclusive, and the Council will reserve the right to vary the buildings and services in scope by serving a contract variation. TUPE does not apply to this contract.

Contracting Approach

The value of this contract dictates the ITT is to be advertised to the OJEU. The proposed contracting method will be a dynamic purchasing framework to enable new services to tender throughout the award. This approach will give the council a wider scope of provider to ensure the council's empty properties are secured as soon as possible on becoming empty. It is intended the council issue a PIN to maximise marketing and a supplier briefing session will take place to welcome interest.

The market for this service is not particularly mature and there are a wide range of models used across the public sector for delivering this service. Historically, the Council has used a framework approach utilising multiple contractors with a rotational call off model. This approach is deliverable and is not over burdensome on administration due to the nil cost and lack of invoicing. The contract will have 5 operational models and an appropriate model will be offered to a framework supplier alongside a specific property in turn.

Community Benefits

The benefits to the community will be practical in the main such as;

- Safer communities.
- Minimise Anti-Social Behaviour.
- Maintain the image of the area, the property and the reputation of the council.

Successful contractors will be required to advertise for guardians in the London Borough of Tower Hamlets.

Contract Ref & Title	G5594 Solicitors Services		
Procurement Category:	Corporate Services	Funding:	Revenue
Invitation to Tender <input type="checkbox"/> Contract Signature <input checked="" type="checkbox"/>	01/09/2019	Contract Duration and Extensions:	Up to 24 months
Value P/A:	£500,000	Value Total:	£1,000,000
Reviewed by Competition Board <input checked="" type="checkbox"/>	27/08/2019	<input checked="" type="checkbox"/> London Living Wage <input checked="" type="checkbox"/> New Procurement <input type="checkbox"/> Collaboration <input type="checkbox"/> Re-procurement of existing Contract	

Scope of Contract

The Council is joining the London Boroughs Legal Alliance (LBLA) Solicitors Framework for the provision of legal advisory services. The LBLA was established in 2009 as a successful collaborative partnership of local authority's legal teams in the UK. The framework provides high quality and cost effective legal advisory services for one or both of the following lots:

Lot 1 – Regeneration

Lot 2 – Full Range of Legal Services.

The framework is run for a period of 3 years with the option to extend for a further year, with an expiry date of 31/12/2021. It is the intention to join the framework until 31/12/2021.

Contracting Approach

The Council will procure the services following the further competition process set out in the framework. An access agreement will be signed to have fully access to the services.

Contract Ref & Title	R5610 Strategic Audit Partnership Contract		
Procurement Category:	Corp Services	Funding:	General Fund
Invitation to Tender <input type="checkbox"/> Contract Signature <input type="checkbox"/>	01/10/2019	Contract Duration and Extensions:	18 months
Value P/A:	£150K	Value Total:	£225K
Reviewed by Competition Board <input checked="" type="checkbox"/>	27/08/2019	<input checked="" type="checkbox"/> London Living Wage <input checked="" type="checkbox"/> New Procurement <input checked="" type="checkbox"/> Collaboration <input type="checkbox"/> Re-procurement of existing Contract	

Scope of Contract

To procure Internal Audit services by using the ESPO Consultancy Services Framework 664. The use of this framework will provide a simple and efficient solution. This framework is from April 2017 to April 2021. Assuming that the contract starts on 15th November 2019 and ends on 31st March 2021, the duration of the contract will be 18 months.

Contracting Approach

Our intention is to use the ESPO Framework and undertake a mini-competition to secure best value for money and quality audit services.

Community Benefits

The contractor will be required to recruit any new staff from local community, offer internal audit traineeship and apprenticeships to local graduates.

Contract Ref & Title	P5581 CCTV maintenance and Moving Traffic Enforcement		
Procurement Category:	Corporate Services	Funding:	Parking Account
Invitation to Tender <input type="checkbox"/> Contract Signature <input type="checkbox"/>	01/10/2019	Contract Duration and Extensions:	3+2 years
Value P/A:	£100,000	Value Total:	£500,000
Reviewed by Competition Board <input checked="" type="checkbox"/>	27/08/2019	<input checked="" type="checkbox"/> London Living Wage <input checked="" type="checkbox"/> New Procurement <input type="checkbox"/> Collaboration <input type="checkbox"/> Re-procurement of existing Contract	

Scope of Contract

The objective of this project is to look at to consolidate a digital strategy for the current CCTV back office software (currently with Siemens), hardware (capture stations/hosted server), unattended camera's use ANPR technology (capturing moving traffic contraventions) and moving traffic vehicles (MTO). We are looking to formalise the above into an annual contract.

This contract will enable the councils parking enforcement team to add additional unattended cameras throughout the borough with the ability to move cameras from site to site to meet changing demands.

With the evolving technology and advances made in CCTV fields there is a need to be abreast of technological changes and procure/hire/pay as you go for these cameras for better and accurate detection of contraventions for changing and challenging environment that are more effective and efficient

Contracting Approach

The contracting approach is to undertake a full tendering exercise to procure a Parking and Mobility Information Technology System.

It is proposed to seek a contract of 3 years with the option to extend for 2 further years. It is understood that the expectation of the market is that contracts of this length will be offered by local government as it takes time and resources to implement a system, taking configuration, testing, training and data migration in to account.

The contract will be let to the most economically advantageous tender based upon a balance of price (40%) and quality (60%). The tender strategy would entail use of the Open Procedure and would be advertised in the Official Journal of the European Union (OJEU). The potential value of this procurement means that the Council is obliged to advertise this contract in OJEU and the time limits for the tender process is stipulated by the Public Contracts Regulations 2015 as amended.

The estimated Contract sum is estimated at £500k for 3+2 years. - Revenue to the Council generated through CCTV Technology System of is approx. £1.1m per year.

Community Benefits

Community benefits commensurate with the contract size will be sought from the provider through the tender process.

Contract Ref & Title	P5612 Mechanical Capital Works Framework		
Procurement Category:	Construction & FM	Funding:	Capital Funding
Invitation to Tender <input type="checkbox"/> Contract Signature <input type="checkbox"/>	01/10/2019	Contract Duration and Extensions:	48 Months
Value P/A:	£2.5m	Value Total:	£10m
Reviewed by Competition Board <input type="checkbox"/>	27/08/2019	<input checked="" type="checkbox"/> London Living Wage <input checked="" type="checkbox"/> New Procurement <input type="checkbox"/> Collaboration <input type="checkbox"/> Re-procurement of existing Contract	

Scope of Contract

This procurement will provide the Council with a single framework of Mechanical Capital works specialist to support the delivery of the planned capital works programme for corporate and education buildings. The framework will enable the Council to both call off the direct appointment of companies to deliver lower value or emergency works, and mini competition larger value, complex and planned works.

The value of the contract will be £2.5m per annum, for 4 years. The length of contract reflects the maximum term allowed for a framework and is also a term that will enable the Council to build a relationship and encourage firms of all sizes to bid. The capital works framework will support the major work programmes in buildings that local residents visit and use every day such as Schools, community buildings, pavilions and libraries and Idea Stores. A well-developed framework and strong contractor relationship will enable the Council to drive value for money through the procurement process, reduce delays through sharing work programmes and ensure good outcomes from works by focusing on the deliverables.

The construction market in London is very buoyant and attracting companies to bid for work is challenging. It is believed that by developing a medium-term framework and being transparent with the project pipeline and expected volumes of work will help encourage companies to bid. There will be mailshots and market warming through phone calls and word of mouth. A bidder morning or session is being considered, and further feedback from procurement will be sought in this regard.

Contracting Approach

The proposal is to set up a framework of providers that are available to provide the services as required. The proposal is to have up to 6 suppliers on the framework. Work will be issued either as direct instruction method for works and services up to £50k (on a rotation or specialism basis) and via mini-tender for work in excess of £50k. For low value works up to £50k the Council will issue instructions using the standard terms and conditions. For construction work in excess of £50k appropriate JCT contracts will be adopted with legal support.

Community Benefits

The social value and community benefits will encourage and measure the use of local supply chain through KPI's and targets. The social value part of the procurement will seek commitment to local projects and supporting other Council led schemes such as work experience and placement opportunities.

Social Value commitments will form part of the tender process and will be scored via the evaluation process. As the contract is a framework, the suppliers that form part of the framework are not guaranteed work and therefore it may be difficult to ascertain commitments such as apprentices and local employment. However, the procurement will seek commitment and set up KPI's in relation to the following-

- promote employment and economic sustainability – tackle unemployment and facilitate the development of skills
- raise the living standards of local residents – pay the London living wage, maximise employee access to entitlements such as childcare and encourage suppliers to source labour from within Tower Hamlets
- promote environmental sustainability – reduce wastage, limit energy consumption and procure materials from sustainable sources

Contract Ref & Title	R5611 Supply of solution Hosting and Support for Unit 4 Business World (formally known as Agresso)		
Procurement Category:	Corporate Services	Funding:	General Fund
Invitation to Tender <input checked="" type="checkbox"/> Contract Signature <input type="checkbox"/>	01/11/2019	Contract Duration and Extensions:	3 year plus 2 year extension
Value P/A:	-	Value Total:	£1.56m over 3 years £2.26m over 5 years
Reviewed by Competition Board <input checked="" type="checkbox"/>	27/08/2019	<input checked="" type="checkbox"/> London Living Wage <input checked="" type="checkbox"/> New Procurement <input type="checkbox"/> Collaboration <input checked="" type="checkbox"/> Re-procurement of existing Contract	

Scope of Contract

The contract is for the supply of hosting and support for the Council's core finance system Unit4 Business World. These services are currently provided as part of the range of IT services provided by Agilisys.

The Council will seek to secure user licences directly from Unit4 so that a direct relationship is established with Unit4 rather than this being through a third party, providing the Council of further assurance in the event of any major incident or specific requirement. The procurement will cover the Council's current use of the finance modules of the Unit4 Business World Software, including General Ledger, Record to Report, Purchase to Pay and Order to Cash but will be sufficiently flexible to allow the use of other finance modules in the course of the contract should the Council decide to do so.

The procurement will seek a supplier (or suppliers) with a proven track record of successful hosting and supporting Unit4 Business World for similar sized organisations and requirements, and with a demonstrable experience of assisting customers with software upgrades and implementation of new modules and integrations with third party business software where appropriate. The Council will review the market options and associated costs around various levels of Business Continuity / Recovery from automated fail over down to manual recovery from tape backup (present arrangement)

The current extended contract with Agilisys ends on 31st March 2021 by which time the Council needs to have successfully migrated to a new hosting arrangement. The version of the Unit4 Business World software currently used by the Council is no longer supported by Unit4 so the Council need to upgrade to the current release of the software.

In July 2019 the Council suffered a major incident in relation to the Unit4 Business World solution which resulted in a complete systems outage for over a week. During this time the Council were unable to pay suppliers, raise customer invoices or effectively monitor it's budgets. This extraordinary event highlighted to the Council how inappropriate the current business continuity arrangements are for a solution of this importance, and the level of intervention required from both Unit4 and the Council to effectively recover the solution led to a significant loss of confidence in the current arrangements.

Given the importance of a successful upgrade of the software this will be performed as part of the new contract with the new hosting / support provider(s) rather than under the existing contract. The cost of the upgrade will be identified separately from the support and hosting costs. There will be a TUPE consideration of this procurement as one FTE is employed by Agilisys on a dedicated basis to LBTH Unit4 Business World.

Contracting Approach / Community Benefits

The re-letting of this contract is unlikely to deliver savings to the Council, and is expected to cost more than the current arrangements, but the new contract will address current vulnerabilities in the existing arrangements and as part of the contract will deliver reliable, compliant, and supported solutions on an up to date technology platform in line with the Council's standards. Community benefits commensurate with the contract size will be sought from the provider through the tender process.