

Cabinet 27 January 2020	 TOWER HAMLETS
Report of Kevin Bartle – Acting Corporate Director, Resources	Classification: Unrestricted
Contracts Forward Plan – Quarter Three (FY2020-2021)	

Lead Member	Councillor Candida Ronald, Cabinet Member for Resources and the Voluntary Sector
Originating Officer(s)	Zamil Ahmed – Head of Procurement
Wards affected	All wards
Key Decision?	Yes
Forward Plan Notice Published	26 October 2020
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 three of the current financial year. Only contracts which have not previously been reported are included in this report.

Recommendations:

The Cabinet is recommended to:

1. Consider the contract summary at Appendix 1, and identify those contracts about which specific reports – relating to contract award – should be brought before Cabinet prior to contract award by the appropriate Corporate Director for the service area

2. Confirm that the remaining contracts set out in Appendix 1 can proceed to contract award after tender
3. Authorise the Divisional Director, Legal Services to execute all necessary contract documents in respect of the awards of contracts referred to at recommendation 2 above
4. Review the procurement forward plan 2020-2022 schedule detailed in Appendix 2 and identify any contracts about which further detail is required in advance of the quarterly forward plan reporting cycle

1. REASONS FOR THE DECISIONS

- 1.1 The Council's Procurement Procedures require submission of a quarterly forward plan of contracts for Cabinet consideration, and it is a requirement of the Constitution that "The contracting strategy and/or award of any contract for goods or services with an estimated value exceeding £250K, and any contract for capital works with an estimated value exceeding £5m shall be approved by the Cabinet in accordance with the Procurement Procedures". This report fulfils these requirements for contracts to be let during and after quarter three 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 three of the current financial year in Appendix 1 and gives Cabinet Members the opportunity to select contracts about which they would wish to receive further information, through subsequent specific reports.
- 3.5 Additionally, the report also includes a Procurement Forward Plan 2020-2022 to provide Mayor and Cabinet members with high level visibility of our planned procurement activity and the opportunity to be engaged in advance of the procurement cycle.
- 3.6 Appendix 1 details the new contracts which are planned during the period Q3 of the financial year. This plan lists all of the new contracts which have been registered with the Procurement Service, and which are scheduled for action during the reporting period.
- 3.7 Contracts which have previously been reported are not included in this report. Whilst every effort has been made to include all contracts which are likely to arise, it is possible that other, urgent requirements may emerge. Such cases will need to be reported separately to Cabinet as individual contract reports.
- 3.8 Cabinet is asked to review the forward plan of contracts, confirm its agreement to the proposed programme and identify any individual contracts about which separate reports – relating either to contracting strategy or to contract award – will be required before proceeding.
- 3.9 Equalities and diversity implications – and other One Tower Hamlets issues – are addressed through the Council’s Tollgate process which provides an independent assessment of all high value contracts, and ensures that contracting proposals adequately and proportionately address both social considerations and financial ones (such as savings targets). The work of the Strategic Procurement Board and Corporate Procurement Service ensures a joined-up approach to procurement.
- 3.10 The Tollgate process is a procurement project assurance methodology, which is designed to assist in achieving successful outcomes from the Council’s high value contracting activities (over £250k, for revenue contracts, and £5m, for capital works contracts which have not gone through the Asset Management Board approval system). All Tollgate reviews are presented to Strategic Procurement Board; contracts require approval of the Board before proceeding.

4. EQUALITIES IMPLICATIONS

- 4.1 Equalities and diversity implications – and other One Tower Hamlets issues – are addressed through the tollgate process, and all contracting proposals are required to demonstrate that both financial and social considerations are adequately and proportionately addressed. The work of the Strategic

Procurement Board and Corporate Procurement Service ensures a joined-up approach to council's procurement activities.

5. OTHER STATUTORY IMPLICATIONS

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

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

Best Value Implications

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

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

Sustainable Action for Greener Environment

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

Risk Management

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

Efficiency Statement

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

6. COMMENTS OF THE CHIEF FINANCE OFFICER

6.1 This report details the contract forward plan for quarter three of 2020-21 which consists of contract values up to £16m for general fund, up to £4m grant funded, up to £5m HRA funded, and a further remote processing contract

framework up to £16m which includes indicative spend for other Local Authorities that can access the framework and would pay the Council a fee for the access.

- 6.2 All contract spend should be carried out within identified resources and savings should be identified where possible to improve value for money and contribute to MTFs savings.

7. COMMENTS OF LEGAL SERVICES

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

Linked Report

- None

Appendices

- Appendix 1 – new contracts planned: Q3 of the Financial Year and beyond.
- Appendix 2 - Procurement Forward Plan 2020 -2022

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

- None

Officer contact details for documents:

- N/A

Appendix 1 – New contracts planned: Q3 of the Financial Year and beyond.

Contract Ref & Title	CS5678 Youth Services
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Procurement Category:	Care and Commissioning	Contract Duration & Extensions:	3 + 1 + 1 year
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input type="checkbox"/> HRA
Value Total:	£6.150 m		<input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund
Value P/A:	£1.230 m	Statutory / Non-Statutory	Non Statutory
Cost Code	83100	Budget	-
Current value	£987k	Revised Annual Contract	-
Savings Annual Value	As per table below.		

Summary of how savings will be achieved

The Youth Service have the following approved MTFs saving:

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

Scope of Contract

The Youth Service provides a wide range of high-quality engaging opportunities and activities for young people aged 11-19 (up to age 25 if they have additional needs) to enable them to build their social and emotional skills, develop their own projects and enjoy safe spaces.

As requested by Cabinet at its **26th February 2020** meeting, a cabinet report with an update on the proposed changes to the youth service delivery model was presented to 29th July cabinet. The decisions following the Cabinet meeting are:

- a) To approve the proposed model for delivery of commissioned and in-house youth activity provision.
- b) To approve the commissioned contract value for centre-based youth activity; detached youth projects; and specialist youth provision for the period 2021-2024 (CS5678). Extension 12 + 12 months (optional to the Council)
- c) Following tender, delegate authority to the Corporate Director Children's and Culture to award contract CS5678.
- d) To authorise the Divisional Director, Legal Services to execute all necessary contract documents in respect of the awards of contract CS5678.
- e) To approve a up to 4-month extension to the exiting providers 1-year contract due to potential delays in engaging with stakeholders during the Covid 19 pandemic.
- f) To approve the additional MTFs savings of £100,000.

The contract will be divided into 3 main lots with sublots representing the geographical area of the borough.

The proposed delivery model and contractual approach was presented to Cabinet on **29th July 2020**. The recommendations in the report noted the intention to contract for 3 years but it did not include the additional 2 year (+1+1) extension; although this was mentioned in the main body of the report. A correction was issued via Cabinet Contract Forward Plan on **23rd September 2020**.

The annual contract value reported previously has now been increased by £30k per year because the rental valuations provided by Asset management for Haileybury and Limehouse youth centres would be prohibitive to any provider. The decision was made to increase the contract values for the centre-based universal services Lot C by £6k p.a. and Lot D by £24k p.a. to reflect the additional rental costs to reflect the additional rental cost a provider would need to pay for these two sites

Therefore this appendix reflects the full intended length of the contract and the total value which will be 3 initial years with a value of £3.690m with the option to extend for a further 2 years representing an additional £2.460m. Total value of the contract for the 5 years period £6.150m.

Contracting Approach

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

Community Benefits

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

Contract Ref & Title	HAC5720 Integrated Statutory Advocacy Service		
Procurement Category:	Health and Social Care	Contract Duration & Extensions:	3+1+1 year
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input type="checkbox"/> HRA
Value Total:	£1,060,000		<input checked="" type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund
Value P/A:	£212,000	Statutory / Non-Statutory	Statutory
Cost Code	30071	Budget	-
Current value	£247,00	Revised Annual Contract	£212,000
Savings Annual Value	£35,000		

Summary of how savings will be achieved

A new integrated statutory advocacy service which is currently delivered as three different services will deliver efficiencies/economies of scale through better alignment of costs and service delivery.

Scope of Contract

The aim of the project is to commission an integrated service that brings together three statutory advocacy services within a single contract, to be delivered by a single provider (or lead provider).

The services in scope are:

- Independent Mental Capacity Advocate (IMCA)
- Care Act Advocacy (CAA)
- Independent Health Complaints Advocacy Service (IHCAS)

Under the Care Act 2014, local authorities are required to provide a CAA service providing eligible people the right to have an independent (of the Local Authority) advocate. The role of an Independent Advocate is different to the role of a general advocate because they are not just supporting the person to have a voice, but to facilitate and maximize their involvement in a whole range of adult care and support processes including challenge care and support plans made if they do not take account of the person's wishes or feelings.

The Mental Capacity Act 2005 requires an Independent Mental Capacity Advocate (IMCA) service to be provided. IMCA advocates are a legal safeguard who support people when they are assessed to lack capacity to make a best interest/important decision and they do not have family or friends appropriate to consult about the decision. The Mental Capacity (Amendment) Act 2019, replaces the Deprivation of Liberty Safeguards (DoLS) with a scheme known as the Liberty Protection Safeguards (LPS). The implementation date for LPS is April 2022. The new Act also broadens the scope, as it will apply to anyone 16 years + who lack capacity to consent to a care plan that deprives them of their own liberty, in every possible setting, including their own home. It is anticipated demand for the service will increase and this should be contained within the current budget.

The Health and Social Care Act 2012 requires an Independent Health Complaints Advocacy Service (IHCAS) to be provided. Independent advocates to support patients complain within the NHS complaints regulations. Integrated Commissioning currently has separate contracts delivering IMCA, CAA and IHCAS.

As well as complying with the legislation mentioned above, the Integrated Statutory Advocacy Service will support the borough in the delivery of a number of key strategic plans and priorities, including:

- Tower Hamlets Plan, 2018-2023: Better Health and Wellbeing
- Tower Hamlets Strategic Plan, 2019-22, Priority 3: A dynamic, outcomes-based council using digital innovation and partnership working to respond to the changing needs of our borough
- Tower Hamlets Together Outcomes and Priorities

Contracting Approach

This service will be commissioned through a Competitive Open Tender with a Supplier Briefing with a planned contract start date of 1st July 2021.

Community Benefits

The service itself is a benefit to the community by providing advocacy support to those who require it. The procurement will also seek community benefits from the suppliers as part of our social value commitment.

Contract Ref & Title	P5719 Enhanced Rough Sleeping Outreach Service (EROS)		
Procurement Category:	Health and Social Care	Contract Duration & Extensions:	3 plus 2 years
One-Time / Recurrent	One-Time	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input type="checkbox"/> HRA
Value Total:	£2,000,000 to £3,000,000		<input checked="" type="checkbox"/> Grant <input type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value P/A:	£400,000- £600,000	Statutory / Non-Statutory	Non Statutory
Cost Code	10158	Budget	homeless prevention budget
Current value	£400,000	Revised Annual Contract	£600,000
Savings Annual Value	NA – increase in value is to reflect additional funding.		
Summary of how savings will be achieved			

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

Scope of Contract

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

The service provides:

- Provide appropriate assertive outreach cover across the borough and respond to reports of all rough sleepers within 24 hours.
- Take an assertive approach to encouraging and referring all new rough sleepers to NSNO assessment hub, local Emergency Bed spaces/ Safe Seats or alternatives.
- Put in place support plans for individuals that are reviewed at appropriate intervals to ensure goals and actions specified continue to be relevant and that any progress is monitored and recorded.

During the life of the Contract has seen a considerable increase in the contract value because additional funding was granted to the Council by MHCLG. In order to secure the funding, variations were executed to the contract with authority sought via Mayoral Executive approval.

It is envisaged that the Government may make additional funding available during the life of this contract, especially since COVID19 homelessness has been a key area for support. It is the intention to include appropriate mechanism to allow for such variations in the new contract. Specifications and T&C will be clear to suppliers in this respect. Variations scope will not be materially different from the main scope of the contract as it will target homelessness services.

Cabinet is requested **to approve future variations of this contract to include any grant funding that the Council secures during the life of the contract.** For any variations where Council's revenue money is employed, current internal governance approval will be sought.

Equally, the Council will set out in the Contract that should funding be reduced during the life of the contract adjustment to scope and value will be made accordingly.

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

Contracting Approach

This service will be commissioned through a OJEU Open tender. There will be a PIN notice to attract attention of the market and reduce the tender timescale in order to have the new contract ready for April 2021.

Community Benefits

We will aim to include some added social value although the nature of the contract may limit the added social value that can be secured.

Contract Ref & Title	P5710 Mechanical Planned & Reactive Maintenance corporate building Contract		
Procurement Category:	Construction & FM	Contract Duration & Extensions:	5 years

One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input type="checkbox"/> HRA
Value Total:	£6 Million		<input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund
Value P/A:	£1.2m	Statutory / Non-Statutory	Non Statutory
Cost Code	CLM 28114, 28116 and 28125	Budget	R&M Budget
Current value	N/A	Revised Annual Contract	N/A
Savings Annual Value	Nil		

Summary of how savings will be achieved

The contract is unlikely to produce specific savings as the cost of labour and materials in this sector are rising approximately 3.5% per annum. Some efficiencies may result in the Council commitment to a longer-term contract.

Scope of Contract

Mechanical Statutory compliance and Reactive Repairs Measured Term contract

This procurement will provide the Council with a single Contractor to provide a comprehensive planned maintenance and reactive repair service for the Council's Mechanical plant and equipment. This service is critical to ensure that the Council has safe and efficient buildings to serve residents and for staff to work from.

The value of the contract will be £1.2 Million per annum and the proposed term is up to 5 years. The length of contract reflects the Council desire to share knowledge and build a relationship with the contractor but is short enough to provide the Council with a degree of flexibility as the transition to the new Town Hall in Whitechapel takes place. The length of contract and value will also ensure that the Contract is attractive to a range of SME and national bidders and should not exclude any part of the market.

The maintenance contract for corporate buildings will deliver day to day operation servicing, statutory compliance checks and inspections and a reactive breakdown service. Activities would typically include the servicing of gas boilers, maintenance of hot and cold-water systems and the servicing of air conditioning plant. All Council operated buildings are in scope including offices, libraries, children's centres and day centres.

A well developed and clear specification and price matrix will ensure the Facilities Management service can drive value for money through the procurement process and ensure that a competent contractor is appointed that shares the Council's values and is committed to delivering a high quality and responsive service.

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.

The maintenance market in London remains buoyant and attracting a good range of companies to bid for work remains challenging. It is believed that by developing a medium-term contract and being transparent with the anticipated volume of servicing and maintenance will help encourage companies to bid. There will be mailshots and market warming through phone calls and word of mouth. A bidder briefing session is being considered, and further feedback from procurement will be sought in this regard and in consideration with any guidance on COVID restrictions.

Contracting Approach

The proposal is to appoint a single provider that can deliver all the requirements set out in the specification. The procurement will be managed using the Open Procedure to ensure maximum exposure to the whole market and all providers. Local SME's will be targeted as part of the market warming process.

Community Benefits

Social Value commitments will form part of the tender process and will be scored via the evaluation process.

Contract Ref & Title	P5718 Arboriculture Works		
Procurement Category:	Construction & FM	Contract Duration & Extensions:	36 months (plus 2 x 12 month options to extend)
One-Time / Recurrent	One-Time	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input type="checkbox"/> HRA <input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value Total:	1,250,000.00		
Value P/A:	250,000.00	Statutory / Non-Statutory	Non Statutory
Cost Code	55331	Budget	Revenue
Current value	1,250,000.00	Revised Annual Contract	1,250,000.00
Savings Annual Value	Nil		

Summary of how savings will be achieved

The cost of the service will be in the region of £1,250,000 over the 5-year term of the contract. This contract is being procured in line with the current contract value, and the funding is therefore accounted for and included within the Operational Services budget.

The benefits of a 3+1+1 year contract as proposed are it allows greater mobilisation and longer-term planning by the service provider which drives down costs. The benefit of the extension options are that in the event of poor performance, the council could re-procure the service after the initial 3 years or alternately extend for reasons of high performance. This contract is being procured in line with the contract value as of 1st of October 2021, whereby no inflationary uplifts have been applied as per the contract conditions. To re-procure this at a similar value than that of 5 years previous represents significant value.

Scope of Contract

The objective of this project is for the procurement of an Arboriculture Contract that meets the council's requirement in order to safely carry out all works in relation to the maintenance of Tower Hamlets owned trees within parks and highways. The procurement of this contract will be in line with all legislation, British and European Standards, sound and accepted best practice implicit in the Specifications and public/user health and safety.

The contract will also be procured in line with the Tree Management Plan, Parks and Open Spaces Strategy, Biodiversity Action Plan and all relevant existing and future parks specific strategic documents.

The proposed contract is to ensure adequate and industry standard compliant maintenance across the Boroughs highways and parks sites to ensure statutory compliance and Health and Safety of residents, visitors and any users of the Borough which might be affected by a tree in some way.

Tower Hamlets has a managed tree stock of around 25,000 trees and their ongoing management is required to establish best practice in accordance with British standards (BSI - 3998 (2010))

The contract is to deliver the highest quality service available, in line with current British Standards, to ensure insurance compliance and to create and sustain an exemplar of good Arboriculture, to be provided by an

Arboriculture Association approved Contractor.

Contracting Approach

There is a market for Arboriculture and this will be an open tender and an advert for this contract will be published in the Official Journal of the European Union (OJEU), and advertised on the tender portal LBTH website as it is anticipated that this will attract the interest of local service providers and afford them the opportunity to register in competing for this contract.

Community Benefits

Social Value commitments will form part of the tender process and will be scored via the evaluation process

Contract Ref & Title	R5721 Remote Processing Contract		
Procurement Category:	Corporate Services	Contract Duration & Extensions:	2 plus 1 plus 1 year
One-Time / Recurrent	One-Time	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input type="checkbox"/> HRA <input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value Total:	Est £4-16m		
Value P/A:	Est. between £1m-£4m per annum	Statutory / Non-Statutory	Non Statutory
Cost Code	10185	Budget	Revenue, est. £1.6m
Current value	Just over £1m per annum	Revised Annual Contract	Est. £1.6m
Savings Annual Value	Est. £150,000 PA.		

Summary of how savings will be achieved

Savings under the contract will be both by reduced cost of onsite temporary staff, and by the “cashback” mechanism paying the Council a fee each time use of the Framework is made by other Councils.

Scope of Contract

The contract will replace the successful Remote Processing Framework currently contracted under R5007, and expiring August 2021. The contract will link to strategic aims including the savings agenda, and the new commercialisation strategy. Separately, timely and accurate completion of welfare claims for Benefits delivers the Council various antipoverty strategies, ensuring that households entitled to financial support receive that on time, and accurately.

Contracting Approach

The contract is to be procured as:

- A contract with multiple lots, designed to attract the best companies for each service lot;
- Multiple bidders are to be appointed to Lots where possible, allowing for continued competition; and
- The contract will be established as a Framework contract and used by other Councils.

Community Benefits

Social value benefits will be sought as part of this contract and bidders will be asked to identify community benefit opportunities and submit proposals as part of this bid.

Contract Ref & Title	R5666 Cloud based Secure Network Service (iWAN)-Internet Network		
Procurement Category:	Corporate Services	Contract Duration & Extensions:	2 plus 2 years
One-Time / Recurrent	One-Time	Funding Source:	<input type="checkbox"/> Capital <input checked="" type="checkbox"/> On Going <input type="checkbox"/> HRA
Value Total:	£608,608		<input type="checkbox"/> Grant <input type="checkbox"/> General Fund
Value P/A:	£152,152	Statutory / Non-Statutory	Non Statutory
Cost Code	23893 Core IT budget	Budget	Future Sourcing Programme
Current value	NA	Revised Annual Contract	£608,000
Savings Annual Value	£73K per annum		

Summary of how savings will be achieved

On track to achieve target saving through the completion of the procurement exercise.

Summary update

This report is summarising some changes to the contract from what has previously authorised by Cabinet on 25/3/2020. Authorisation had been given for a contract valued at £600,000 in total and £200,000 per year. The term sought was 3 plus 2 years. Due to the contract being let via the Crown Commercial Services Digital Marketplace (G-Cloud) the contract term cannot be longer than 2 years with the option to extend by 2 years. The annual value is £152,152, and if the contract runs for the full 4 year term the value will be £608,000.

Scope of Contract

The council has traditionally had 2 main data centres and network hubs (Mulberry Place and Albert Jacobs House) and then with outsourcing to Agilisys in 2012 two further 2 data centres and network hubs Welyn Garden City & PowerGateway were added. Council has been moving away from on premise data centres to cloud in preparation for end of Agilisys contract in March 2021 and move to Town Hall in 2022. Most of council's network sites (70 plus e.g. children centre, one stop shops, day centres, parking depot, idea stores, registrars) connect to one or more of the 4 buildings through BT leased lines, CCTV fibre lines etc. The future is about each of the council sites going to internet directly. With migration to cloud and rollout of Office 365 and one drive this will be possible.

The Council's current network security approach using port locking, Complex MPLS network technology for WAN and based on an assumption of physical security with a central data centre is no longer a suitable way to secure the Council's network connectivity to IT services. As the components of the Council's IT services become more distributed, the cost and complexity of the current network security approach are rising, flexibility is limited, performance is both variable and unquantified, security assurance due to potential introduction of non-secure devices, storage and applications is limited and as a result change is needed.

The IT team have reviewed appropriate network security models and tools and have established the following fundamental requirements:

- (i) Zero trust Architecture where all networks as assumed to be untrusted with encryption applied from end point device all the way to applications. The connections from device to application are controlled on a per user basis.
- (ii) Software defined architecture where all components of the service apart from the endpoints are delivered in the cloud and not dependent on any physical security appliances and the behaviour of the network from the Council's standpoint is purely defined by software configuration.
- (iii) Strong capability for monitoring performance, applications being used, network activity.

(iv) Optimise performance of connectivity to Office 365 and Microsoft Azure services.

Contracting Approach

To procure the required services for ZPA licences, implementation support and ongoing product support via the G-Cloud 10 framework. The proposed technical service is currently unique in the marketplace and is the best fit for the Council's current and emerging needs for the next 3 years. Circa 4700 licences, support, implementation and service for Z-Scaler Private access for a 3-year contract term

Contract Ref & Title		R5689 Occupational Health and Wellbeing Services	
Procurement Category:	Corporate Services	Contract Duration & Extensions:	2.5 years (2 years +6 months)
One-Time / Recurrent	One-Time	Funding Source:	<input type="checkbox"/> Capital <input checked="" type="checkbox"/> On Going <input type="checkbox"/> HRA <input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value Total:	£565,000		
Value P/A:	£246,000 (includes services to be provided via SLA with Schools and THH, excludes provision for Physiotherapy services)	Statutory / Non-Statutory	Non Statutory
Cost Code	21479	Budget	£226,000 p.a.
Current value	£246,000 p.a. (includes services to be provided via SLA with Schools and THH, excludes provision for Physiotherapy)	Revised Annual Contract	£226,000 p.a. (includes services to be provided via SLA with Schools and THH along with the Physiotherapy services which was provided under a separate contract)
Savings Annual Value	Nil		

Summary of how savings will be achieved

The annual budget for health and wellbeing service provisions has reduced and with an expectation to deliver a wider range of services within the constrained budget. Further reduction of contract value will result in lack of competition or non-achievement of set outcomes.

Scope of Contract

The main purpose of the OH Service and the Council's health and wellbeing initiatives is to:

- support individuals who are unfit to work, whether due to medical conditions or arising from the workplace, to return to work and be fully effective in the performance of their duties;
- offer staff workplace advice on promoting health and wellbeing initiatives so that they can develop healthy lifestyles and boost resilience,
- assist staff in maintaining an optimum level of health and fitness, both physically and psychologically which enables and supports them to remain at work during difficult periods in their lives;
- support managers and the HR & OD Service to proactively manage all aspects of sickness absence and other non-sickness related absence i.e. maternity related absence;
- provide management information on case/condition management processes;
- ensure that mental health and stress related issues/concerns are dealt with efficiently by way of signposting to, or provision of, a robust psychological support system, including where appropriate, an

effective counselling programme.

Contracting Approach

The proposal is to conclude an ESPO tender procedure in which all suppliers will be invited. This route is compliant with the councils Procurement procedures and the Public Contract Regulations. The Council will undertake early market engagement with the intention to both steer wider competition and seek feedback from suppliers on the intended outcomes and approach.

Community Benefits

Suppliers will be invited to offer additional social value in accordance with the nature and value of the contract.

Contract Ref & Title	R5707 Strategic Audit Services		
Procurement Category:	Corporate Services	Contract Duration & Extensions:	1/05/21 to 31/03/23
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input type="checkbox"/> HRA <input type="checkbox"/> Grant <input checked="" type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value Total:	£233K over 23 Months		
Value P/A:	£116.5K	Statutory / Non-Statutory	Statutory
Cost Code	23320	Budget	£245K
Current value	£245K over 16 months	Revised Annual Contract	£233K
Savings Annual Value	£12,000		

Summary of how savings will be achieved

Savings of £12,000 will be achieved by ensuring that the audits currently contracted out are undertaken by the in-house team.

Scope of Contract

The key objective of this procurement is to commission a Strategic Partner to support the In-House team in delivering the Annual Audit Plan. The nature and variety of audit work is diverse and extensive including audits of financial systems, operational systems and functions, computer audit, contract audit, consultancy work, service reviews schools audits, VFM audits etc. Whilst most audit activities are carried out on a planned basis, there are a number of demand led and reactive audits requested by management during a financial year, which cannot be serviced by the In-house resources as the ability to flex resources is limited due to a small audit team made up of 6 staff. In addition, audits like ICT audits require certain skills which currently the in-house team does not have. Similarly, routine audits like school audits, establishment audits and financial systems audits can be done more efficiently by a partner as they can bring in shared knowledge, best practices and skills by using a pool of staff.

Contracting Approach

The proposal is to use the ESPO Consultancy framework, which has a number of potential bidders with experience and track record to service our needs. Using this Framework, the proposal is to run a mini-competition which will allow us to have a list of preferred bidders ready to deliver audit plan activities for 2021/22 and 2022/23. As this framework expires in 18th April 2021, but the current contract with the current provider BDO LLP expires on 31st March 2021, it is proposed that the contract with BDO be extended for 4 weeks in the anticipation that the ESPO Framework will be re-procured and then the service can undertake mini-competition from the ESPO's new consultancy framework. The new contract will commence from 1/05/21.

Community Benefits

It is intended that when a mini-competition is run, 5% of its contract weighting will be reserved for securing economic and community benefits for local residents. This will be subject to ESPO T&Cs.

Contract Ref & Title	THH5713 Asbestos Inspection Services Procurement		
Procurement Category:	Construction & FM	Contract Duration & Extensions:	4 Years
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input checked="" type="checkbox"/> HRA
Value Total:	£900k		<input type="checkbox"/> Grant <input type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value P/A:	£225K	Statutory / Non-Statutory	Statutory
Cost Code	10649	Budget	R2012
Current value	N/A	Revised Annual Contract	N/A
Savings Annual Value	Nil		

Summary of how savings will be achieved

Any savings achieved will be non-cashable and used to procure additional services.

Scope of Contract

This contract is required to deliver asbestos management inspection services to dwellings and non-domestic parts of Council housing blocks, and refurbishment and demolition surveys (as required) prior to intrusive works. The inspection activities are required to comply with duties under Regulation 4 of the Control of Asbestos Regulations 2012 and delivered in line with the HSE Approved Code of Practice L143, Managing and Working with Asbestos and as defined by the HSE Guidance HSG264, Asbestos: The Survey Guide.

The framework will include -

- Asbestos Management Surveys of non-domestic parts;
- Asbestos Re-Inspection of known and suspected Asbestos Containing Materials (ACMs), to include accessing previously inaccessible areas so far as is reasonably practicable in order to inform the management arrangements;
- Asbestos Refurbishment and Demolition surveys prior to intrusive works;
- Emergency provision to undertake inspection and bulk sampling as required by the prevailing situation;
- Data upload into THH asbestos management portal / register

The intention is to award a four year contract and for all buildings to be subject to a management survey during that period (i.e. management survey on a rolling one year cycle). All buildings not subject to a management survey in that year will be subject to an annual re-inspection of known Asbestos Containing Materials.

Contracting Approach

This procurement will follow an EU compliant competitive process in line with the Councils procurement procedures. The standard LBTH Terms and Conditions of contract will be used.

Community Benefits

Suppliers will be invited to offer additional social value in accordance with the nature and value of the contract.

Contract Ref & Title	THH5711 Intrusive FRA (External Wall Systems) Procurement		
Procurement Category:	Construction & FM	Contract Duration & Extensions:	1 Year
One-Time / Recurrent	One-Time	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input checked="" type="checkbox"/> HRA
Value Total:	£1.325m		<input type="checkbox"/> Grant <input type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value P/A:	£1.325m	Statutory / Non-Statutory	Statutory
Cost Code	10649	Budget	R2012
Current value	N/A	Revised Annual Contract	N/A
Savings Annual Value	Nil		

Summary of how savings will be achieved

Any savings achieved will be non-cashable and used to procure additional services.

Scope of Contract

Contract to deliver a single programme of External Wall System technical reviews for Council housing blocks as required to comply with the Ministry of Housing, Communities and Local Government (MHCLG) guidance: Advice for Building Owners of Multi-storey, Multi-occupied Residential Buildings issues in January 2020.

This review will involve assessment of the exterior wall system and façade of a building.

- Consideration of the external materials of the building
- Inspection of any cladding to determine that adequate fire breaks are present including fire performance of any backing materials present.
- Identify where Euroclass A2 fire performance or higher has not been met for any part of the external wall system.
- Comprehensive assessment report to include the significant findings, issues identified and actions required
- Completion of a RICS EWS1 form

These technical reviews of the external wall system will underpin the starting position of creating Building Safety Case reviews which will be legal requirement for the council once the Fire Safety Bill has been passed.

Contracting Approach

This procurement will follow an EU compliant competitive procurement process in line with LBTH procurement procedures. Standard LBTH Terms and Conditions of contract will be used.

Community Benefits

Suppliers will be invited to offer additional social value in accordance with the nature and value of the contract.

Contract Ref & Title	THH5714 Water Hygiene Assessment Services Procurement		
Procurement Category:	Construction & FM	Contract Duration & Extensions:	4 Years
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input checked="" type="checkbox"/> HRA
Value Total:	£900k		<input type="checkbox"/> Grant <input type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value P/A:	£225k	Statutory / Non-Statutory	Statutory

Cost Code	10649	Budget	R2012
Current value	N/A	Revised Annual Contract	N/A
Savings Annual Value	Nil		

Summary of how savings will be achieved

Any savings achieved will be non-cashable and used to procure additional services.

Scope of Contract

This Contract is required to deliver Legionella Risk Assessments and, where applicable, Written Schemes of Control for water systems and associated plant throughout all Council housing blocks. The water hygiene assessment services are required to comply with the Health and Safety at Work etc Act 1974 and prevailing regulations which are currently the Control of Substances Hazardous to Health Regulations 2002, and the Management of Health and Safety at Work Regulations 1999. All services to comply and be delivered in line with the HSE Approved Code of Practice L8, Legionnaires' Disease: The control of legionella bacteria in water systems. The contract will include -

- Legionella Risk Assessments;
- Compilation of Written Schemes of Control;
- Provision of full schematics for all systems;
- Annual review of Risk Assessments and Schemes of Control for continued compliance;
- Data upload into THH water hygiene portal / register

The intention is to award a four year contract and for all buildings to be subject to a Legionella Risk Assessment during that time (i.e. on a rolling two year cycle). Where required each relevant system will require a Written Scheme of Control. All buildings not subject to a Legionella Risk Assessment in that year will be subject to an annual compliance review of the Risk Assessment and Scheme of Control.

Contracting Approach

This procurement will follow an EU compliant competitive procurement process in line with the Councils procurement procedures. The standard LBTH Terms and Conditions of contract will be used.

Community Benefits

Suppliers will be invited to offer additional social value in accordance with the nature and value of the contract.

Contract Ref & Title	THH5712 THH ASB Patrolling & Community Reassurance Service		
Procurement Category:	Construction & FM	Contract Duration & Extensions:	2+1 years
One-Time / Recurrent	One-Time	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input checked="" type="checkbox"/> HRA
Value Total:	£ 840,000		<input type="checkbox"/> Grant <input type="checkbox"/> General Fund <input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Value P/A:	£280,000	Statutory / Non-Statutory	Non Statutory
Cost Code	10664	Budget	R2001
Current value	£225,000	Revised Annual Contract	£280,000
Savings Annual Value	Nil savings		
Summary of how savings will be achieved			

There are no direct savings anticipated with this procurement / contract, however there will be indirect savings/ benefits. The success of the existing contract has led to an increase in enforcement actions by THH and the police. It is anticipated that the continued focus on the prevention and tackling of ASB may result in 'spend to save' benefits including:

- i. Reduced caretaking duties in key affected areas
- ii. Reduction in the number of ASB complaints received
- iii. ASB team caseload reductions as drug dealing /usage tackled

Scope of Contract

The contract being sought is a re-procurement of the current neighbourhood patrol service providing a mobile, uniformed patrolling service to tackle and deter anti-social behaviour [ASB] on estates managed by Tower Hamlets Homes [THH] on behalf of the Council since 2017. The service is seven days a week, predominantly out-of-hours and works in partnership with police and LBTH to detect, deter, disrupt and eliminate ASB in Tower Hamlets. Resident engagement and reassurance is also a key part of this service. The service was procured in response to:

- I. Resident concerns re ASB
- II. Mayoral commitment to tackling ASB

The Council's Tower Hamlets Plan 2018-23 sets out its vision of 'building a strong, inclusive and fair borough' with a key theme of ensuring 'strong, resilient and safe communities' The THH Business Plan 2019-20 likewise sets out its vision of 'thriving, safe, and sustainable neighbourhoods where residents can be proud of their homes, respect one another and realise their potential'. THH is committed to reducing ASB and the impact of this for our residents. This service aims to complement existing engagement work with youths and young adults to prevent ASB and promote more positive behaviours, focussing on engagement, detection and enforcement activity. A police-accredited Supplier is required to ensure good evidence gathering to support the enforcement role and for the duration of the contract the Contractor shall remain approved under the Association of Chief Police Officers Community Safety Accreditation Scheme (CSAS).

Contracting Approach

This contract will follow a competitive procurement process in line with LBTH procurement procedures and relevant legislation.

Community Benefits

Suppliers will be invited to offer additional social value in accordance with the nature and value of the contract.

Contract Ref & Title	THH5346 FRA Type 1-4 Procurement		
Procurement Category:	Construction & FM	Contract Duration & Extensions:	4 Years
One-Time / Recurrent	One-Time	Funding Source:	<input type="checkbox"/> Capital <input type="checkbox"/> On Going <input checked="" type="checkbox"/> HRA
Value Total:	£885,056.00		<input type="checkbox"/> Grant <input type="checkbox"/> General Fund
			<input type="checkbox"/> S106 <input type="checkbox"/> Reserves

Value P/A:	£221,264	Statutory / Non-Statutory	Statutory
Cost Code	19105	Budget	Compliance
Current value	N/A	Revised Annual Contract	N/A
Savings Annual Value	Nil		

Summary of how savings will be achieved

Any savings achieved will be non-cashable and used to procure additional services

Scope of Contract

Contract to deliver an ongoing programme of fire risk assessments and re-assessments for Council housing blocks as required to comply with the The Regulatory Reform (Fire Safety) Order 2005. Following recent industry developments and evolving thinking, the current FRA content requires to be enhanced to include areas not previously covered in adequate detail.

The previously completed Savills' FRAs have been adapted and deemed suitable as a basis for new FRAs. Going forward it is envisaged that FRAs for each block will be adapted and developed over the years as necessary in order that ultimately as much of the block as is possible is inspected to provide thorough identification of the inherent risks and consideration of the impact of ongoing works and improvements to the blocks. The new FRAs will involve:

Assessment of the common parts of a building.

- Completion of a PAS79+ fire risk assessment template
- Consideration of the external materials of the building
- Consideration of compartmentation between common areas and the flats
- Inspection of a sample of service risers on all floors
- Inspection above a sample of readily accessible demountable false ceilings if present
- Inspection of a sample of flat front doors
- Comprehensive assessment report to include the significant findings, issues identified and actions required

Plus the following in a sample of flats:

- Consideration of compartmentation between flats
- Consideration of the fire resistance of doors between rooms
- Consideration of the means of escape from the flat
- Consideration of the means of fire detection in the flat
- Testing of the smoke alarm (where present) in the flat

Destructive inspection of the common parts of a building and the flats where deemed necessary:

- Inspection of areas of construction in the common parts and the flats by use of a camera and borescope as appropriate
- Inspection of areas of construction in the common parts and the flats opened up as necessary

The contract will include the four types of housing fire risk assessment. For each FRA cycle the sampling will take place where works have recently (since the last FRA) been carried out and at locations and addresses different from those already inspected.

In this way the full block will be thoroughly inspected over several FRA cycles. The proposed FRA cycles are as follows:

- i. High Risk Blocks – Surveyed every year.
- ii. Blocks up to 3 storeys that are less than 20 years old – Surveyed every 4 years
- iii. Category B (properties that are attached but do not have a communal access) – Surveyed every 4

years

- iv. All other blocks – Surveyed every 3 years
- v. Following major works or significant change to the building
- vi. Commercial units – every 2 years

The procurement will follow a competitive procurement process in line with LBTH procurement procedures.

The contract will be flexible in order that expected industry developments can be accommodated.

It should be noted that Cabinet previously approved an Appendix 1 for FRAs type 1 – 4 in 2018. That procurement did not progress primarily due to the changing environment around the management of fire risks with the portfolio. Given the new legislation that is currently making its way through parliament we need to be in a position to react should the requirements shift over the coming 18 months. The original Savills procurement was to be for a term of 10 years and that duly had an effect on the overall value of the procurement. By reducing this to a 4 year cycle the value of the procurement has decreased however, the types and nature of the work has become more focussed on meeting the new legislative requirements of the FSO 2020 and draft Building Safety Bill. We understand that the LGA guidance issued in 2012 is due to be reviewed and likely to change, however, the timetable for this is yet to be publicised. This new 4 year procurement will allow us to accommodate any such changes within the specification.

Contracting Approach

Managed via standard LBTH Terms and Conditions of contract

Community Benefits

Suppliers will be invited to offer additional social value in accordance with the nature and value of the contract.

Contract Ref & Title	G5724 London Borough's Legal Alliance Barristers Framework		
Procurement Category:	Corporate Services	Contract Duration & Extensions:	Central Budget
One-Time / Recurrent	Recurrent	Funding Source:	<input type="checkbox"/> Capital <input checked="" type="checkbox"/> On Going <input type="checkbox"/> HRA
Value Total:	£3,600,000		<input type="checkbox"/> Grant <input type="checkbox"/> General Fund
Value P/A:	£1,200,000	Statutory / Non-Statutory	<input type="checkbox"/> S106 <input type="checkbox"/> Reserves
Cost Code	R4400 A0324	Budget	Non Statutory
Current value	£800,000	Revised Annual Contract	Various departments
Savings Annual Value	See below		£1,200,000
Summary of how savings will be achieved			
The new LBLA Framework will encompass previous 'off panel' spend (500k @ 19/20) which is outside of the existing LB S&L Framework. By bringing off panel spend into the LBLA Framework it will reduce spend on barristers across all areas of work. These savings are achievable in part to a large range of chambers on the LBLA Framework and more competitive pricing schedule. A wider choice of chambers will help LBTH establish best value across all areas of work.			

Scope of Contract

The Council repeatedly relies on external barristers as a means of providing supplementary specialist legal services. The majority of this specialist support is in the form of advocacy for Children's Services or for the provision of expert specialist advice. Services are frequently required at short notice and have a value which would not normally require competitive quotes to be obtained. The LBLA Framework would guarantee agreed competitive fixed rates as well as removing the need to obtain several quotes.

Should the Council not join the LBLA framework the only alternative would be to procure barristers representation and advice on an ad hoc basis. Without the discounted fixed rates which the LBLA framework would provide it would not be possible to guarantee value for money as barrister services would be procured at increased open market rates. The repeated procurement of ad hoc services would consume Legal Officer time during a period of team contractions.

Contracting Approach

There will be further competition within the framework undertaken by the Council to establish best value, as Legal Services will consider and evaluate each Chamber in relation to cost and quality before instructing on any given matter. Therefore, the Council will continuously be considering best value throughout the term of the framework.

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 and will be given a 5% weighting.