



C A B I N E T P R O C U R E M E N T A N D I N S O U R C I N G C O M M I T T E E

Monday 14 February 2022
at 5.00 pm Hackney Town Hall, Mare
Street, London E8 1EA

The live stream can be viewed here:

https://www.youtube.com/watch?v=8w4g_EfGk64

Back-up: <https://youtu.be/ZGfldsxfuqQ>

Members of the Committee:

Councillor Robert Chapman, Cabinet Member for Finance (Chair)

Councillor Anntoinette Bramble, Deputy Mayor and Cabinet Member for Education,
Young People and Children's Social Care

Councillor Christopher Kennedy, Cabinet Member for Health, Adult Social Care and
Leisure

Councillor Caroline Woodley, Cabinet Member for Families, Early Years and Play

Mark Carroll

Chief Executive

Friday 4 February 2022

www.hackney.gov.uk

Contact:

Andrew Spragg

Governance Services Team Leader

governance@hackney.gov.uk

Cabinet Procurement and Insourcing Committee

Monday 14 February 2022

Agenda

1 APOLOGIES FOR ABSENCE

2 URGENT BUSINESS

The Chair will consider the admission of any late items of urgent business. Late items of urgent business will be considered under the agenda item where they appear. New items of unrestricted urgent business will be dealt with under item 9 below. New items of exempt urgent business will be dealt with at item 13 below.

3 DECLARATIONS OF INTEREST - Members to declare as appropriate

A Member with a disclosable pecuniary interest or a prejudicial interest in a matter who attends a meeting of the authority at which the matter is considered:

- (i) must disclose the interest at the start of the meeting or when the interest becomes apparent, and
- (ii) may not participate in any discussion or vote on the matter and must withdraw from the meeting room.

A Member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Register of Members' Interests or the subject of a pending notification must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal interests and prejudicial interests are defined at Paragraphs 8.1-15.2 of Section Two of Part 5 of the Constitution and Appendix A of the Members' Code of Conduct.

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4 NOTICE OF INTENTION TO CONDUCT BUSINESS IN PRIVATE, ANY REPRESENTATION RECEIVED AND THE RESPONSE TO ANY SUCH REPRESENTATIONS

On occasions part of the Cabinet Procurement and Insourcing Committee meeting will be held in private and will not be open to the public if an item is being considered that is likely to lead to the disclosure of exempt or confidential information. In accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 (the Regulations), members of the public can make representations about why that part of the meeting should be open to members of the public.

This agenda contains exempt items as set out at Item 11.

No representations with regard to these have been received.

This is the formal 5 day clear day notice under the Regulations to confirm that this Cabinet Procurement and Insourcing Committee meeting will be partly held in private for the reasons set out in this agenda.

5 DEPUTATIONS/PETITIONS/QUESTIONS

6 UNRESTRICTED MINUTES OF THE PREVIOUS MEETING OF CABINET PROCUREMENT AND INSOURCING COMMITTEE HELD ON 17 JANUARY 2022 (Pages 11 - 22)

To confirm the unrestricted minutes of the meeting of Cabinet Procurement and Insourcing Committee held on 17 January 2022.

7 NH S055 APPOINTMENT OF DOCKLESS BIKE-SHARE SCHEME OPERATORS IN HACKNEY - CONTRACT APPROVAL (Pages 23 - 34)

8 BRIEFING NOTE: PARKS AND GREEN SPACES - CONCESSION OPPORTUNITIES (Pages 35 - 40)

9 ANY OTHER UNRESTRICTED BUSINESS THE CHAIR CONSIDERS TO BE URGENT

10 DATE OF FUTURE MEETINGS

2022

7 March and 11 April

11 EXCLUSION OF THE PUBLIC AND PRESS

Note from the Director of Legal and Governance Services

Items 12 allows for the consideration of exempt information in relation to Item 7

Proposed resolution :

THAT the press and public be excluded from the proceedings of Cabinet Procurement and Insourcing Committee during consideration of Exempt Item 12 on the agenda on the grounds that it is likely, in view of the nature of the business to be transacted, that were members of the public to be present, there would be a disclosure of exempt business as defined in paragraph 3 of Part 1 of schedule 12A of the Local Government Act 1972, as amended.

12 NH S055 APPOINTMENT OF DOCKLESS BIKE-SHARE SCHEME OPERATORS IN HACKNEY - CONTRACT APPROVAL (Pages 41 - 42)

Appendix B (Exempt)

13 ANY OTHER EXEMPT BUSINESS THE CHAIR CONSIDERS TO BE URGENT

Public Attendance

The Town Hall is not presently open to the general public, and there is limited capacity within the meeting rooms. However, the High Court has ruled that where meetings are required to be 'open to the public' or 'held in public' then members of the public are entitled to have access by way of physical attendance at the meeting. The Council will need to ensure that access by the public is in line with any Covid-19 restrictions that may be in force from time to time and also in line with public health advice.

Those members of the public who wish to observe a meeting are still encouraged to make use of the live-stream facility in the first instance. You can find the link on the agenda front sheet.

Members of the public who would ordinarily attend a meeting to ask a question, make a deputation or present a petition will be able to attend if they wish. They may also let the relevant committee support officer know that they would like the Chair of the meeting to ask the question, make the deputation or present the petition on their behalf (in line with current Constitutional arrangements).

In the case of the Planning Sub-Committee, those wishing to make representations at the meeting should attend in person where possible.

Regardless of why a member of the public wishes to attend a meeting, they will need to advise the relevant committee support officer of their intention in advance of the meeting date. You can find contact details for the committee support officer on the agenda front page. This is to support track and trace. The committee support officer will be able to confirm whether the proposed attendance can be accommodated with the room capacities that exist to ensure that the meeting is covid-secure.

As there will be a maximum capacity in each meeting room, priority will be given to those who are attending to participate in a meeting rather than observe.

Members of the public who are attending a meeting for a specific purpose, rather than general observation, are encouraged to leave the meeting at the end of the item for which they are present. This is particularly important in the case of the Planning Sub-Committee, as it may have a number of items on the agenda involving public representation.

Before attending the meeting

The public, staff and councillors are asked to review the information below as this is important in minimising the risk for everyone.

If you are experiencing covid symptoms, you should follow government guidance. Under no circumstances should you attend a meeting if you are experiencing covid symptoms.

Anyone experiencing symptoms of Coronavirus is eligible to book a swab test to find out if they have the virus. You can register for a test after checking your symptoms through the NHS website. If you do not have access to the internet, or have difficulty with the digital portals, you are able to call the 119 service to book a test.

If you're an essential worker and you are experiencing Coronavirus symptoms, you can apply for priority testing through GOV.UK by following the guidance for essential workers. You can also get tested through this route if you have symptoms of coronavirus and live with an essential worker.

Availability of home testing in the case of people with symptoms is limited, so please use testing centres where you can.

Even if you are not experiencing covid symptoms, you are requested to take an asymptomatic test (lateral flow test) in the 24 hours before attending the meeting.

You can do so by visiting any lateral flow test centre; details of the rapid testing sites in Hackney can be found here. Alternatively, you can obtain home testing kits from pharmacies or order them here.

You must not attend a lateral flow test site if you have Coronavirus symptoms; rather you must book a test appointment at your nearest walk-through or drive-through centre.

Lateral flow tests take around 30 minutes to deliver a result, so please factor the time it will take to administer the test and then wait for the result when deciding when to take the test.

If your lateral flow test returns a positive result then you must follow Government guidance; self-isolate and make arrangements for a PCR test. Under no circumstances should you attend the meeting.

Attending the Town Hall for meetings

To make our buildings Covid-safe, it is very important that you observe the rules and guidance on social distancing, one-way systems, hand washing, and the wearing of masks (unless you are exempt from doing so). You must follow all the signage and measures that have been put in place. They are there to keep you and others safe.

To minimise risk, we ask that Councillors arrive fifteen minutes before the meeting starts and leave the meeting room immediately after the meeting has concluded. The public will be invited into the room five minutes before the meeting starts.

Members of the public will be permitted to enter the building via the front entrance of the Town Hall no earlier than ten minutes before the meeting is scheduled to start. They will be required to sign in and have their temperature checked as they enter the building. Security will direct them to the Chamber or Committee Room as appropriate.

Seats will be allocated, and people must remain in the seat that has been allocated to them.

Refreshments will not be provided, so it is recommended that you bring a bottle of water with you.

RIGHTS OF PRESS AND PUBLIC TO REPORT ON MEETINGS

Where a meeting of the Council and its committees are open to the public, the press and public are welcome to report on meetings of the Council and its committees, through any audio, visual or written methods and may use digital and social media providing they do not disturb the conduct of the meeting and providing that the person reporting or providing the commentary is present at the meeting.

Those wishing to film, photograph or audio record a meeting are asked to notify the Council's Monitoring Officer by noon on the day of the meeting, if possible, or any time prior to the start of the meeting or notify the Chair at the start of the meeting.

The Monitoring Officer, or the Chair of the meeting, may designate a set area from which all recording must take place at a meeting.

The Council will endeavour to provide reasonable space and seating to view, hear and record the meeting. If those intending to record a meeting require any other reasonable facilities, notice should be given to the Monitoring Officer in advance of the meeting and will only be provided if practicable to do so.

The Chair shall have discretion to regulate the behaviour of all those present recording a meeting in the interests of the efficient conduct of the meeting. Anyone acting in a disruptive manner may be required by the Chair to cease recording or may be excluded from the meeting.

Disruptive behaviour may include: moving from any designated recording area; causing excessive noise; intrusive lighting; interrupting the meeting; or filming members of the public who have asked not to be filmed.

All those visually recording a meeting are requested to only focus on recording councillors, officers and the public who are directly involved in the conduct of the meeting. The Chair of the meeting will ask any members of the public present if they have objections to being visually recorded. Those visually recording a meeting are asked to respect the wishes of those who do not wish to be filmed or photographed. Failure by someone recording a meeting to respect the wishes of those who do not wish to be filmed and photographed may result in the Chair instructing them to cease recording or in their exclusion from the meeting.

If a meeting passes a motion to exclude the press and public then in order to consider confidential or exempt information, all recording must cease and all recording equipment must be removed from the meeting. The press and public are not permitted to use any means which might enable them to see or hear the

proceedings whilst they are excluded from a meeting and confidential or exempt information is under consideration.

Providing oral commentary during a meeting is not permitted.

ADVICE TO MEMBERS ON DECLARING INTERESTS

Hackney Council's Code of Conduct applies to all Members of the Council, the Mayor and co-opted Members.

This note is intended to provide general guidance for Members on declaring interests. However, you may need to obtain specific advice on whether you have an interest in a particular matter. If you need advice, you can contact:

- Director of Legal and Governance Services
- the Legal Adviser to the committee; or
- Governance Services.

If at all possible, you should try to identify any potential interest you may have before the meeting so that you and the person you ask for advice can fully consider all the circumstances before reaching a conclusion on what action you should take.

You will have a disclosable pecuniary interest in a matter if it:

- i. relates to an interest that you have already registered in Parts A and C of the Register of Pecuniary Interests of you or your spouse/civil partner, or anyone living with you as if they were your spouse/civil partner;
- ii. relates to an interest that should be registered in Parts A and C of the Register of Pecuniary Interests of your spouse/civil partner, or anyone living with you as if they were your spouse/civil partner, but you have not yet done so; or
- iii. affects your well-being or financial position or that of your spouse/civil partner, or anyone living with you as if they were your spouse/civil partner.

If you have a disclosable pecuniary interest in an item on the agenda you must:

- i. Declare the existence and nature of the interest (in relation to the relevant agenda item) as soon as it becomes apparent to you (subject to the rules regarding sensitive interests).
- ii. You must leave the meeting when the item in which you have an interest is being discussed. You cannot stay in the meeting whilst discussion of the item takes place and you cannot vote on the matter. In addition, you must not seek to improperly influence the decision.
- iii. If you have, however, obtained dispensation from the Monitoring Officer or Standards Committee you may remain in the meeting and participate in the meeting. If dispensation has been granted it will stipulate the extent of your involvement, such as whether you can only be present to make representations, provide evidence or whether you are able to fully participate and vote on the matter in which you have a pecuniary interest.

Do you have any other non-pecuniary interest on any matter on the agenda which is being considered at the meeting?

You will have 'other non-pecuniary interest' in a matter if:

- i. It relates to an external body that you have been appointed to as a Member or in another capacity; or
- ii. It relates to an organisation or individual which you have actively engaged in supporting.

If you have other non-pecuniary interest in an item on the agenda you must:

- i. Declare the existence and nature of the interest (in relation to the relevant agenda item) as soon as it becomes apparent to you.
- ii. You may remain in the meeting, participate in any discussion or vote provided that contractual, financial, consent, permission or licence matters are not under consideration relating to the item in which you have an interest.
- iii. If you have an interest in a contractual, financial, consent, permission or licence matter under consideration, you must leave the meeting unless you have obtained a dispensation from the Monitoring Officer or Standards Committee. You cannot stay in the meeting whilst discussion of the item takes place and you cannot vote on the matter. In addition, you must not seek to improperly influence the decision. Where members of the public are allowed to make representations, or to give evidence or answer questions about the matter you may, with the permission of the meeting, speak on a matter then leave the meeting. Once you have finished making your representation, you must leave the meeting whilst the matter is being discussed.
- iv. If you have been granted dispensation, in accordance with the Council's dispensation procedure you may remain in the meeting. If dispensation has been granted it will stipulate the extent of your involvement, such as whether you can only be present to make representations, provide evidence or whether you are able to fully participate and vote on the matter in which you have a non pecuniary interest.

Further Information

Advice can be obtained from Dawn Carter-McDonald, Director of Legal and Governance Services via email dawn.carter-mcdonald@hackney.gov.uk

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DRAFT UNRESTRICTED MINUTES OF CABINET PROCUREMENT AND INSOURCING COMMITTEE

MONDAY 17 JANUARY 2022

The meeting was live-streamed here: https://youtu.be/Z1U_3MS7UQQ

Chair	Cllr Robert Chapman, Cabinet Member for Finance
Councillors Present:	Cllr Anntoinette Bramble, Deputy Mayor (Statutory) and Cabinet Member for Education, Young People and Children’s Social Care Cllr Christopher Kennedy, Cabinet Member for Health, Adult Social Care and Leisure Cllr Caroline Woodley, Cabinet Member for Families, Early Years and Play.
Apologies	None
Officers in Attendance	Rotimi Ajilore, Head of Procurement Andrew Spragg, Governance Services Manager
	<u>Remote attendees</u>
	Karim Ali, ICT Contract Officer, Hackney Council David Borrell, Senior Surveyor, Hackney Council Eamann Devlin, Commissioner, Mental Health & Prevention, Hackney Council Oliver Martin, Public Space Surveillance Manager, Civil Protection Service, Hackney Council Cate McLaurin, Head of Delivery, ICT, Hackney Council Andy Wells, Civil Protection Service Manager Community Safety, Enforcement and BR, Hackney Council

1. APOLOGIES FOR ABSENCE

There were no apologies for absence.

2. DECLARATIONS OF INTEREST - Members to declare as appropriate

There were no declarations of Interest.

3. URGENT BUSINESS

There were no items of urgent business.

4. NOTICE OF INTENTION TO CONDUCT BUSINESS IN PRIVATE, ANY REPRESENTATION RECEIVED AND THE RESPONSE TO ANY SUCH REPRESENTATIONS

There were no representations received.

5. TO CONSIDER ANY DEPUTATIONS, QUESTIONS OR PETITIONS REFERRED TO THE CABINET BY THE COUNCIL'S MONITORING OFFICER

There were none received.

6. UNRESTRICTED MINUTES OF THE PREVIOUS MEETING

RESOLVED:

That the unrestricted minutes of the Cabinet Procurement and Insourcing Committee, held on 6 December 2021, were approved.

7. CACH Q95 Mental Health Accommodation - Contract Award Report

7.1 The Commissioner, Mental Health and Prevention introduced the report highlighting the following points:

- The report covered a request for a two year contract which would be for payment by activity as opposed to a fully commissioned service
- One of the dilemmas involved with this work was that the provider had indicated increased costs over the preceding years and there was a growing gap between the funding and the costs
- An agreement was negotiated by the Council whereby payment would be by activity based on the occupancy of Hackney residents
- The service covered non-Hackney residents. Moving to a transition would be a cost neutral arrangement and would allow the provider to be more sustainable over the next two years when the Council moves to a fully payment by activity model

7.2 Councillor Kennedy thanked officers for their work on this report. He highlighted paragraph 6.2 in the report which stated that; 'The arrangement whereby Hackney has to pay for non-Hackney residents will come to an immediate end. AIHA will be enabled to sell a limited number of bed spaces to other funding authorities or for privately funded placements'. Councillor Kennedy sought

reassurances that the Council would not be entering into such arrangements again where the Council ended up paying for non-Hackney residents.

- 7.3 The Commissioner, Mental Health and Prevention replied that the service being provided was very specific to the Orthodox Jewish community. Some of those demands were coming from outside Hackney and were increasing. The contract was sustainable for the provider, as they were receiving referrals from other areas which the Council had previously put limits on the numbers that could be taken. The hybrid model that was now being taken forward would mean that the cost effectiveness for the Council was improved and it was more sustainable financially for the provider. The negotiated agreement would work for both parties, firming up the arrangements and would also help the provider to serve their community beyond the borders of Hackney.
- 7.4 Councillor Woodley sought clarification on whether those who were receiving the payments in accommodation were still to be taken care of. It was understood that what was proposed was a more efficient commissioning process, however it was a unique neighbourhood in Stamford Hill and the Councillor wanted to ensure that the community involved had co-production in these arrangements.
- 7.5 The Commissioner, Mental Health and Prevention replied that the Council had engaged with the provider as well as taking into account the considerations for the wider community. All the current residents that remained had begun to be regularly reviewed and had also been contacted by the local mental health trust so that there had not been any changes with their needs in recent years. The Council had ensured there was a process to update all reviews so that there were no changes to the support and care being provided and it would continue and be sustainable for all concerned. The Commissioner, Mental Health and Prevention stated that he had undertaken a site visit in the summer of 2021 and had spoken to local residents who were both impressed and satisfied with the support and care that was being provided.
- 7.6 The Chair raised a question regarding paragraph 5.5.5 (fourth bullet point) in the report which stated that; 'AIHA has developed its own unique model of provision which is a mix of care and support and is different from that which Hackney wishes to commission'. The Chair queried whether this wording was an error in the report as he would expect the provider to be providing what we need and not what suits just their business model.
- 7.7 The Commissioner, Mental Health and Prevention replied that this section of the report was a reference to how there was a mix of needs in each service. The service was bespoke to the community with the practicalities of a mixed level of needs in each service; this was not typical. The Council would normally commission high support needs for individuals who require high support, for example, within a single service. Typically if the Council was commissioning a wider service there would be a wider element. There was more of a need because it was specifically for the Orthodox Jewish community with a need to be pragmatic about the mix of residents. The Council's approach was almost starting from a blank page and if it was not for a specific community the Council might commission all high or all medium support. The Commissioner, Mental

Health and Prevention stated that there was a slightly different characteristic around the resident blend but there was no different way to provide the support.

- 7.8 The Chair questioned whether there were any particular risks involved in the Council undertaking this approach.
- 7.9 The Commissioner, Mental Health and Prevention replied that there were no risks to the residents and their care and well-being. Where there were additional care support needs for individuals some individual care packages were funded separately. The Council was confident the residents were getting the care and support they required.
- 7.10 The Chair raised a query in relation to paragraph 6.4 of the report regarding savings, The report stated that the savings were an estimate and could not be guaranteed. The Chair asked about the particular risks involved with this.
- 7.11 The Commissioner, Mental Health and Prevention replied that that section of the report was taking into account future admissions as the Council could not predict the exact level of need for each individual Some individuals may require additional staff being brought in. Typically when the Council in the past three years had renewed the previous admissions the Council was confident that the cost was very unlikely a risk to costs because the contract was for payment-by-activity, therefore the Council could not exactly predict every element of need for the future if someone was admitted in for example in six months time what that would be. In terms of the overall cost to Hackney Council there would be additional costs for care packages for those residents with very high needs. The Commissioner, Mental Health and Prevention stated that there were no financial risks but also there was no 100 percent guarantee on saving.

RESOLVED:

That the Cabinet Procurement and Insourcing Committee:

Agreed to award Agudas Israel Housing Association (AIHA) a contract to deliver the Orthodox Jewish mental health accommodation based support service for a term of two years. This follows a direct negotiation as approved by the CPC in September 2018.

8. FCR S046 Public Space Surveillance (PSS) Monitoring contract

- 8.1 The Civil Protection Service Manager Community Safety, Enforcement and BR introduced the report highlighting the following points:
- The report for the tendering of the public space contract which saw staff monitor the Council's Closed Circuit Television (CCTV)
 - The report contained two recommendations:
 1. To approve an extension of the current contract to 30 November 2022;
 2. To approve the procurement strategy set out in this report for the procurement of a new Public Space Surveillance Monitoring contract commencing 1 December 2022

- Extensive appraisals had been carried out to check the viability of insourcing the service for the new contract
- The current service provider was from the private sector and the service was currently delivered with the employment of one Operations Manager, four team leaders and eight operators
- The current contract had excellent retention with the average time in post for staff being 4.7 years. The longest serving member of the team was 12 years and between the entire team they had in total 61 years of monitoring CCTV in Hackney. This was a significant factor in the excellent reputation that Hackney has with other local authorities, the Home Office and various Police forces including the Metropolitan Police Service who were the Council's main partner in relation to community safety and crime reduction
- Five options had been outlined in the report:
 1. Insource and cease licensable activity, to remove the need for licensing
 2. Insource and obtain 'non front line' Security Industry Authority (SIA) licences for all suitable staff and Councillors. This would be required to comply with information management law;
 3. Let a new 'out-sourced' contract using similar terms and conditions for staff to the existing contract
 4. Let a new 'out-sourced' contract using enhanced terms and conditions for staff, bringing their terms and conditions in line as much as possible with Council staff
 5. To set up an independent trading company to undertake the PSS monitoring service
- All five options were carefully considered and option 3 was identified as the preferred option
- Currently the existing contract had met its initial contractual objectives and was very successful. It had made a dramatic contribution to the safety and security of the residents of Hackney and the Council were satisfied with the service that had been provided
- In a strategic context the Mayoral aim of the prioritisation of the quality of life in the borough by making streets safer was addressed by PSS Monitoring
- Cameras were also monitored by some social landlords, Homerton Hospital, London Property Services as well as the Housing Service. These were all stakeholders in the service
- All external cameras were recharged to the service, which makes a significant financial contribution to the overall running of the service and the network of cameras
- A benchmarking exercise was undertaken comparing Hackney's service with those of four other London boroughs. Hackney's existing arrangement was found to be competitive on cost

8.2 The Chair questioned the benchmarking exercise that had been undertaken. It was noticeable that three out of the four boroughs were insourcing their PSS monitoring service. The Chair sought clarity on what those three local authorities were doing differently to Hackney.

- 8.3 The Civil Protection Service Manager Community Safety, Enforcement and BR replied that the Council's Civil Protection Service had established partnerships with registered social landlords to use the cameras on their estates to improve the life of the residents. He highlighted that the Council had gone through a period of releasing assets to social landlords and many of those estates had had their fair share of issues. The registered social landlords were unable to successfully monitor their own CCTV equipment and the Council had stepped in to help. The Civil Protection Service Manager Community Safety, Enforcement and BR highlighted that the law currently states that when cameras are monitored that belong to someone else and are under a contract all the employees involved in that operation have to have a SIA licence. This would include all employees up to director level. The SIA had interpreted the law, in terms of the role of director to include Councillors. If the Council continued to monitor the CCTV in-house, involving approximately 100 staff, it would need a SIA non-frontline operating licence at a significant cost. The Civil Protection Service Manager Community Safety, Enforcement and BR added that if any of those 100 staff were unable to obtain their SIA license then the whole service would have to cease operating.
- 8.4 The Chair questioned why none of those aforementioned circumstances, outlined by The Civil Protection Service Manager Community Safety, Enforcement and BR, did not apply to the other London Boroughs included in the benchmarking exercise.
- 8.5 The Civil Protection Service Manager Community Safety, Enforcement and BR replied that those boroughs were only monitoring Council cameras on the streets.

RESOLVED:

That the Cabinet Procurement and Insourcing Committee:

- 1. Agreed to approve an extension of the current contract to 30 November 2022**
 - 2. Agreed to approve the procurement strategy set out in the report for the procurement of a new Public Space Surveillance Monitoring contract commencing 1 December 2022.**
- 9. FCR S047 Selection of a contractor for the construction of primary care surgeries at land at rear of 2-28 Belfast Road, N16, and The Portico, 34 Linscott Road, E5 - Contract Approval**
- 9.1 The Senior Surveyor introduced the report highlighting the following points:
- The report was unusual in that it was asking the Committee to agree to the delegation of the final contract to award the winning tenderer for reasons of timeliness and in the current construction market
 - The construction market was currently experiencing a period of extensive cost inflation and the report requested that the decision to delegate so that the Council can be more flexible and capture the tender returns and the fixed costs set out in those returns
 - The report also contained an update on the Selection Questionnaire (SQ) stage and the results of that work that had been undertaken

- The report contained two recommendations:
 1. Agree to delegate the approval of the Contract Award for the construction of a primary care surgery at land to rear of 2-28 Belfast Road, N16 and The Portico, 34 Linscott Road, E5 to the Group Director of Finance and Corporate Resources in consultation with the Mayor and Director of Strategic Property Services, and authorise the Director of Legal & Governance to agree and enter into all necessary legal documentation in connection with such contract award
 2. To require the Director of Strategic Property Services to submit to the Cabinet Procurement and Insourcing Committee an updated Contract Award Report to the next available committee meeting after approval of the Contract Award by the Group Director of Finance and Corporate Resources.

- 9.2 Councillor Kennedy commented that he had been involved with the process from the start and he raised concerns about the speed of the process and how it did not fit in with the timelines of the Council's meeting papers approval processes.

- 9.3 The Senior Surveyor replied that the Council was operating in a climate currently experiencing the effects of Brexit and the pandemic. He added that he was unable to comment on Council policy but in terms of the report it was a live issue and how long the current circumstances would last was difficult to determine.

- 9.4 The Head of Procurement concurred that it was a difficult situation. The governance processes set by the Council for reports stipulated that they had to be submitted two to three weeks ahead of CPIC meetings. In terms of the construction market, the Head of Procurement stated that in regards to the report it was a unique procurement. The processes being used and then aligning them with the timing with the reports for the CPIC was a challenge for this particular project.

- 9.5 Councillor Woodley commented that she understood that currently it was a sellers market but she was seeking reassurances about the KPIs, as one of the sites was in her ward.

- 9.6 The Senior Surveyor replied that his team was working closely with the Inclusive Economy Team and the Employment Skills template was part of the documentation. The Senior Surveyor stated there was a requirement for all bidders to complete that form and to comply with the policy.

- 9.7 The Chair sought clarification on one section in the report that stated that the schemes would be self-financing over an indicative 30 year term but in another part of the report it stated that the leases were for 20 years.

- 9.8 The Senior Surveyor replied that leases for primary care surgeries were 20 years long which was within market norms and would attract the best rent. The decision was made at a Hackney Council Cabinet meeting, with the Finance Team's input, that the Council would look at a return over a 30 year cash flow. The Senior Surveyor highlighted that by the time the work was delivered, 12

plus years, and primary care was brought forward in the borough, there would be a lease renewal at the expiry of the initial lease grant. It was seen as relatively low risk to those fundamentals.

- 9.9 The Chair queried if there was an expectation that at the end of the 20 year lease there would be renewal of a new lease.
- 9.10 The Senior Surveyor replied that it was the market norm for a lease on a new Doctors surgery.
- 9.11 The Chair queried a reference in the report to 'Treasury decision' and whether that was referring to approval from HM Treasury.
- 9.12 The Senior Surveyor clarified that this was a reference to Hackney Council's Finance department.

RESOLVED:

That the Cabinet Procurement and Insourcing Committee:

- 1. Agreed to delegate the approval of the Contract Award for the construction of a primary care surgery at land to rear of 2-28 Belfast Road, N16 and The Portico, 34 Linscott Road, E5 to the Group Director of Finance and Corporate Resources in consultation with the Mayor and Director of Strategic Property Services, and authorise the Director of Legal & Governance to agree and enter into all necessary legal documentation in connection with such contract award.**
- 2. Agreed to require the Director of Strategic Property Services to submit the Cabinet Procurement and Insourcing Committee an updated Contract Award Report to the next available committee meeting after approval of the Contract Award by the Group Director of Finance and Corporate Resources.**

The Committee noted the agreed appendix.

10. FCR S050 Variable Data Print procurement

10.1 The Head of Delivery, introduced the report highlighting the following points:

- There was one recommendation in the report:

Cabinet Procurement and Insourcing Committee (CIPC) was recommended to approve the award of a 4-year contract, via the Crown Commercial Services framework RM6017 for Postal Goods, Services and Solutions (Lot 7: Hybrid Mail, Digital And Transformational Communications) to 'Supplier A' for the estimated contract value of upto £3.5M

- The contract was for where the Council's in-house print service did not have the specialist print equipment needed to do some work at short notice at high volume

- It was intended to enhance the in-house print service not replace it
 - The incumbent supplier had won the tender so there was no change in supplier
 - The current supplier was based in E16, so travel time was reduced and all their vans were electric. There were clear KPIs for reducing and recycling paper use. Also as part of their bid the current supplier had also outlined their use of green energy
 - The current supplier had also made a commitment to all their employees being paid at least the London Living Wage and to recruit locally in London and in particular Newham where the business was located. The Council was also asking for them to make further commitments around apprenticeships in the contract implementation.
- 10.2 Councillor Woodley raised a question about fluctuating costs and the unpredictability of print costs increasing and if there was anything the Council could do to control paper costs.
- 10.3 The Head of Delivery replied that the use of the greenest paper possible was already included in the contract and the Council would be unlikely to store large amounts of paper on Council premises.
- 10.4 The ICT Contract Officer stated that certain Council services already bulked buy paper ahead of time and were storing some paper on site.
- 10.5 The Head of Delivery commented that where possible, work was being undertaken with Council Services to reduce paper use and to digitise their services. Considering the experience of local residents, the Council was seeking to reduce the spend of the contract over the four years as the Council changed the way it provides those services to residents.
- 10.6 The Chair raised a question about the sustainability and financial ramifications for the contract.
- 10.7 The Head of Delivery replied that, as part of the contract implementation, the Council wanted further commitments from the supplier regarding their use of apprenticeships. As mentioned, the provider had already begun to recruit locally as well as thinking about local training but the Council would like them to go further.
- 10.8 The Chair thought it would be helpful if the Committee could know what the service had asked for and what had actually been received.
- 10.9 Deputy Mayor Bramble raised a question about the amount of investment that the Council had put into outsourcing and how this compared to if the service had been insourced instead.
- 10.10 The Head of Delivery replied that one of the steps the service was taking with the contract was to first consider if the work could be done in-house. The Committee noted that The Head of Delivery also ran the print room and that the service was currently examining how it could be best used. The Head of Delivery wondered if new equipment could be installed with a view to the Council reducing outsourcing as much as possible by using in-house services

in a better way. The Committee noted that some of the contract was for specialist printing equipment that would require heavy investment and would only be used a small amount during the year. The Head of Delivery stated that the Council would not want the equipment sitting around unused. In terms of the Council's printing of letters and brochures, which historically were printed through use of an outsourcing contract, talks were currently underway to see if in-house services could be used instead with only an outsourcing contract being used if the print room could not meet the need.

- 10.11 Deputy Mayor Bramble commented that she would like to see in the contract more insourcing. Deputy Mayor Bramble noted The Head of Delivery's point about purchasing costly equipment that might only be used once a year, however, sometimes the Council would have to communicate to local residents so a printing service would be needed. Over the next four years there had to be a real commitment to insourcing print services.
- 10.12 The Head of Delivery agreed with Deputy Mayor Bramble, stating that greater consideration needed to be given to the impact of the service on residents. There had to be more joined-up communications and where a letter, for example, had to be printed it had to be of the highest quality and where an alternative approach was required then service should take the necessary steps.
- 10.13 The Chair stated that it would be useful for the Committee to be updated at some point in the future on how negotiations and discussions were going regarding the community benefits that would be delivered as part of the operation of the contract. The Chair added that this did not necessarily require a full report to the Committee.
- 10.14 The Head of Delivery agreed that an update would be provided to the Committee at an appropriate point in the future.

RESOLVED:

That the Cabinet Procurement and Insourcing Committee:

Agreed to approve the award of a 4-year contract, via the Crown Commercial Services framework RM6017 for Postal Goods, Services and Solutions (Lot 7: Hybrid Mail, Digital And Transformational Communications) to 'Supplier A' for the estimated contract value of up to £3.5M.

11. Any Other Unrestricted Business the Chair Considers To Be Urgent

11.1 There was no other urgent business to consider.

12 Dates Of Future Meetings

2022

14 February, 7 March and 11 April.

End of Meeting

Duration of the meeting: 7:00pm - 7:55pm

Contact:

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APPOINTMENT OF DOCKLESS BIKE-SHARE SCHEME OPERATORS IN HACKNEY - CONTRACT APPROVAL			
Key Decision No. NH S055			
CPIC	MEETING	DATE	CLASSIFICATION:
(2021/22)			Open with Exempt Appendix B
	14 February 2022		If exempt, the reason will be listed in the main body of this report.
WARD(S) AFFECTED:			
All			
CABINET MEMBER:			
Cllr Mete Coban, Cabinet Member for Energy, Waste, Transport and Public Realm			
KEY DECISION:			
Yes			
REASON:			
Affects two or more wards			
GROUP DIRECTOR:			
Ajman Ali, Group Director of Neighbourhoods and Housing			

1. GROUP DIRECTOR'S INTRODUCTION

- 1.1 This report seeks the approval of the Cabinet Procurement and Insourcing Committee (CPIC) to appoint Bidder D as a Dockless Bike Scheme Operator in the London Borough of Hackney.
- 1.2 This implementation of such a scheme is one of the measures chosen under the Council's Transport Strategy 2015 - 2025 and 'Cycling Plan' to achieve the goal of ensuring that, by 2025, cycling accounts for 15% of all journeys.
- 1.3 The aim of the scheme is to increase the amount of cycling in the Borough, particularly among those residents without ready access to their own bike.
- 1.4 Though the scheme is expected to be funded by the operator at no cost to the Council, the approval of CPIC is being sought for reasons of public interest

2. RECOMMENDATION(S)

- 2.1 CPIC is recommended:

- i) to approve the appointment of Bidder D (see Exempt Appendix B for details), as the sole operator of a Dockless Bike-Share Scheme using cycle bays provided by the Council. The appointment to operate in Hackney shall be on the basis of a fee paying concession agreement for an initial period of two years with up to two further optional annual extensions.

3. RELATED DECISIONS

- 3.1 The initial business case to proceed with the procurement was approved by the Strategic Director in July 2021
- 3.2 A separate business case has allowed the procurement of cycle corrals that will be available to the companies for parking the dockless bikes.
- 3.3 These cycle corrals are to be placed in spaces mainly converted from former car parking spaces. The temporary parking suspensions Delegated Powers Report was agreed on 22 September 2020, as well as an objection report compiled after the statutory consultation period that took place in March-April 2021.

4. REASONS FOR DECISION/OPTIONS APPRAISAL.

- 4.1 Transport for London's (TfL) cycle hire scheme only operates in the southern fringes of the Borough and not the north and east of the Borough. A dockless service presents an opportunity to support the London Mayoral proposal 6 regarding new models of cycle hire.
- 4.2 Beginning in December 2019, the Council trialled a dockless bike hire scheme with two operators, Jump and Beryl, in order to expand the available cycle for hire network in the Borough. Memoranda of Understanding were agreed with the companies and were set to expire in November 2021, however both operators have ceased operations since April 2021. Beryl cited Covid reasons and Jump was acquired by another organisation.
- 4.3 Car parking bays were used in the trial instead of allowing the bikes to be parked on the footway in order to reduce clutter and to reduce hazards for pedestrians, as well as reclaiming road space allocated for cars towards a sustainable mode of transport.
- 4.4 Initially these car parking bays were temporarily suspended to create space for cycle parking, but since the withdrawal of Jump and Beryl work has continued to create more permanent cycle parking infrastructure. Lessons learned from the trial period include the fact that some sort of physical infrastructure is required both to make clear where the bikes should be stored (to avoid anti-social parking on footways) and also to make clear to drivers where they should not park (and hence rescue enforcement costs).

4.5 On 16 September 2021, a new invitation to tender for the appointment of one or two dockless bike operators was advertised on 'Find a Tender' (FTS), the UK Government's Procurement Portal. Though the procurement was estimated at at least £2m (i.e. contract lifetime value to the operators) which is below the relevant threshold, it was published and run in accordance with the Concession Contracts Regulations 2016 in the interest of transparency. The intention of the Streetscene Service was to appoint up to two operators, subject to finding suitable operators in accordance with the terms of the Invitation to Tender. The evaluation of the bids has been concluded and a winning bid has been selected from the seven bids received as described in Section 10 of this report.

5. ALTERNATIVE OPTIONS (CONSIDERED AND REJECTED)

5.1 In this case a recommendation is made to appoint Bidder D as the sole operator of the dockless scheme. An alternative would have been to appoint two operators, including Bidder C, the only other operator to have submitted a compliant bid.

5.2 Having two operators might have provided residents with greater consumer choice and provided resilience in the event of one of the companies ceasing operations

5.3 However, in this case the difference in quality between the winner (Bidder D) and the second place (Bidder C) was clear in all five sub-criteria of the quality assessment and it is considered that best value for the Council would be achieved through the appointment of just one operator.

5.4 Scope for this type of choice was clearly laid in the draft terms and conditions circulated with the invitation to tender which made clear that the "Council reserves the right at its absolute discretion to appoint up to two Scheme Operators to deliver the Services"

6. PROJECT PROGRESS

6.1 Developments since the Business Case approval: None.

6.2 Whole Life Costing/Budgets:

6.3 The Whole Life Costs of this project to the Council includes the costs of (a) procuring the contract, (b) managing and monitoring the contract and the shared cycle scheme and (c) maintaining the cycling infrastructure. TfL and S106 contributions have already funded the formalisation of the bays and corrals. The costs for (a) and (b) are detailed in the contract management arrangements in Section 11 at 0.1 FTE for each making a total of 0.2 FTE. There will be some additional minor maintenance costs. These costs to the Council are estimated at 35 hours officer time per annum i.e. less than

0.02FTE, including travel time to inspect each of up to 100 corrals, once per annum. The total for the three types of whole life costs is thus 0.22 FTE.

6.4 The operation of the scheme will be funded by an annual fee of £5,000 and the annual voluntary contribution (see Appendix B) both payable by the appointed operator to the Council.

7. **SAVINGS:** None applicable.

8. **SUSTAINABILITY ISSUES**

8.1 **Procuring Green:** under the contract to be awarded, the e-bikes will be maintained exclusively using Zero-Emission Vehicles, including e-vans and e-cargo bikes and thus limit their environmental impact on Hackney. The winning bid provided details of the operator's repair, reuse and recycling policy including a record of having so far treated only 0.01% of the operator's existing London bike fleet irreparable; landfill diversion' in excess of 96% and the recycling of batteries into bluetooth speakers. While the provision of manual push bikes as opposed to electrically-powered bikes was identified as one of the criteria for assessment of sustainability in the business case, in this instance all of the bids received were for electric bikes.

8.2 **Procuring for a Better Society:** the recommended Bidder is a London Living Wage employer and proposes to hire staff locally to run its operations as well as partner with a local charity in Hackney that is involved in tackling food poverty.

8.3 **Procuring Fair Delivery:** The recommended supplier has third-party verified supplier accreditation systems which gives assurance that robust measures are in place to minimise Modern Slavery in their supply chains.

8.4 **Equality Impact Assessment and Equality Issues:** No particular issues were identified however, the recommended supplier's operating model includes the provision of support to potential bike-users who are experiencing difficulties in operating their bikes or mobile app.

9. **ALTERNATIVE OPTIONS (CONSIDERED AND REJECTED)**

9.1 The goal of this procurement is to provide bicycles in such a way as to complement the docking stations already provided by the Council, and develop cycling as a means of transportation in the Borough; the following options were considered:

(a) **Operate a Council owned and run scheme:** this would imply the Council owning the cycles and operating the scheme as well as bearing responsibility for the littering of bikes on the roads and pavements as well as the costs of vandalism and theft of bicycles. It would however give the Council full control over the operation of the scheme in accordance with its

requirements; however, this option would require some investment in the vehicles and an organisation to run the operations. Unfortunately, the Council does not have the experience of delivering such services or maintaining such infrastructure. Given the number of suppliers pulling out of this market and the uncertainty in local demand for these bikes, this may be too risky an option, financially and operationally, for the Council to bear on its own without further research into the feasibility of this option.

- (b) **Joint operation with a partner or supplier:** Such an approach with the right partner would provide the Council with the experience and knowledge that is lacking internally while providing the Council some control over the operations. In essence it would enable the Council to mitigate the risks identified in 7.5.4(a). This option would however still require some financial investment by the Council in bicycles subject to finding a suitable and interested partner to work with the Council. to deliver a service that enables the Council to at least break even very early as well as deliver an effective service. Unfortunately, the timelines associated with this project require a quicker solution.
- (c) **Fully outsourced provision:** This is the 'no investment and low risk' option to the Council. It is also the quickest to set up which makes it most appropriate in the face of time constraints. The main risk this option poses for the Council is that of a service provider, and/or service quality failure. The Council is mitigating these risks by creating a favourable and secure environment for the supplier to operate in while maintaining some control via a contract and making a sufficient return to cover its monitoring and contract management costs as well as the costs of maintaining the docking stations.

10. TENDER EVALUATION

10.1 Evaluation:

10.2 7 Bids were received by the deadline of 12:00pm, 20 October 2021.

10.3 The bids were evaluated in accordance with the published evaluation criteria and methodology at Appendix B of this report by a panel consisting of the following officers from the Council's Streetscene Service: Principal Transport Planner and Senior Transport Planner.

10.4 On initial opening of the bids five (5) bids were found to be either incomplete or not meeting the suitability criteria for Technical and Professional ability. These five bidders were eliminated on that basis and duly informed. The remaining two bids were evaluated, yielding the results in table 1 below. Though Streetscene sought to appoint up to two bidders, subject to finding 2 suitable bidders, Bidder C is not appointable for not meeting the minimum expectations in respect of bike-users' age verification methodology.

10.5 Table 1: Evaluation Scores

Bidder	Price Score (30%)	Quality Score (65%)	Sustainability Score (5%)	Total Bid Score
Bidder C	17.68%	36.95%	5.00%	59.63%
Bidder D	30.00%	60.21%	4.00%	94.21%

10.6 Recommendation: It is on this basis that CPIC is recommended to approve the appointment of Bidder D as set out in section 3 of this report.

11. CONTRACT MANAGEMENT ARRANGEMENTS

11.1 Resources and Project Management (Roles and Responsibilities):

11.2 The proposed contract management arrangements for this project shall be as set out in the Business Case that authorised this procurement as follows:

- (1)- The procurement and contract administration (overall) will be managed by the Sustainable Transport and Engagement (STE) Team and will require 0.1 FTE staff hours.
- (2)- The day to day purchasing and liaison regarding delivery and installation will be managed by the Design and Engineering (D&E) Team and will require 0.1 FTE staff hours.
- (3)- Inception meeting at contract award will last about 2 hours and will require the attendance of two staff each from STE and D&E.
- (4)- Agreed rollout - A minimum of 200 Dockless Bikes, scaling up to a maximum of 325 in year two.
- (5)- Monthly reviews of effectiveness and/or further roll out to agreed dates will be conducted by the STE team.

11.3 No TUPE issues relevant to this project have been identified.

11.4 Key Performance Indicators:

Main KPI Targets Set	Monitoring	Mayoral & Local Priority
Net uptake in cycling from one monthly reporting period to the other: > 0	Monthly reporting	Scheme use will contribute to LIP and Hackney Transport Strategy targets to increase the modal share of cycling.
Faulty bikes to be made safe or unavailable to the public, within 12 hours,	Monthly reporting	Contributes to road safety targets to reduce KSI
Average time to recover littering/obstructing bicycles': 1 hr	Incident reporting/monitoring and monthly reporting	Reducing street clutter, ensuring a safe public realm walking environment

12. COMMENTS OF THE GROUP DIRECTOR OF FINANCE AND CORPORATE RESOURCES

- 12.1 This report seeks approval to appoint Bidder D as the sole operator of a Dockless Bike Share Scheme in the Borough initially for 2 years with an option to extend annually thereafter as set out in the recommendation in Section 3 of the report. Bidder D scored the highest in terms of price and quality of service provision compared to other tenders.
- 12.2 Cycling numbers are continuing to increase across London and we have seen a rise in numbers in Hackney. The benefits of increasing the uptake of cycling are significant in terms of improving air quality, less congestion and a fitter and healthier population and would align with the Council's corporate priorities. The Council's Transport Strategy 2015 - 2025 and 'Cycling Plan' to achieve the goal of ensuring that, by 2025, cycling accounts for 15% of all journeys.
- 12.3 There are direct and indirect costs in relation to the operation which will be funded by an annual fee and an annual voluntary contribution (appendix B) by the operator to the Council.
- 12.4 The aim is to improve access to cycling for all Hackney residents and businesses. The Council has an ambition to introduce dockless cycle hire schemes in the Borough to promote cycling as a convenient, healthy and enjoyable activity.
- 12.5 A dockless cycle hire scheme would assist in helping Hackney meet our cycle objectives. It would open up cycling to those who do not own a cycle and would target the short destination journeys that may otherwise have been undertaken by car. It would also promote cycling as a leisure activity

and provide an additional mode of transport for people to access local amenities. Increased cycling amongst those who live and work in the Borough would promote a modal shift away from the private car and encourage more active lifestyles that would help improve public health and air quality

12.6 VAT Implications on Land & Property Transactions: No VAT implications

13. COMMENTS OF THE DIRECTOR OF LEGAL AND GOVERNANCE SERVICES

13.1 This matter was classified as Low Risk and therefore the Business Case for the procurement was signed off by the Director in accordance with paragraph 2.8.1 of Contract Standing Orders. However, the value of the contract to be awarded in this Contract Award Report is estimated at £2m and therefore this report is being presented to Cabinet Procurement and Insourcing Committee for approval in accordance with paragraph 2.5.3 of Contract Standing Orders.

13.2 The Council published a Find a Tender Notice on 16 September 2021 in order to seek bids for the performance of the services. The details of the bids received and the recommendations for contract award are set out in this Report.

14. COMMENTS OF THE PROCUREMENT CATEGORY LEAD

14.1 The proposed concession agreement is valued up to £2,000,000 which is below the relevant UK concession contracts threshold (Services) and must be awarded in accordance with Hackney Standing Orders. The Council's Contract Standing Order 2.5.3 requires that the Contract Award for a Low Risk procurement valued above £2M be approved by the Cabinet Procurement and Insourcing Committee.

14.2 An open competitive tender process, advertised widely via a voluntary notice on the 'Find a Tender' service, has been carried out. Whilst the response rate of suitable operators was low, robust evaluation has been undertaken. Award to a single operator, who achieved the highest tender scores by a significant margin, is supported for the reasons set out in the report

14.3 Suitable KPIs and contract management arrangements are in place, including environmental and social commitments in line with the Council's Sustainable Procurement Strategy.

APPENDICES

Appendix A - Evaluation Criteria and Methodology (Public)

Appendix B - Bidders and Submissions (Exempt)

EXEMPT

By Virtue of Paragraph(s) **3**, Part 1 of schedule 12A of the Local Government Act 1972 this Appendix B is exempt because it contains Information relating to the financial or business affairs of any particular person (including the authority holding the information) and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Background Papers:

None.

Report Author	Tobias Newland, Senior Transport Planner (Streetscene) tobias.newland@hackney.gov.uk 0208 356 2818
Comments for and on behalf of the Group Director of Finance and Corporate Resources	Nurur Rahman, Group Accountant nurur.rahman@hackney.gov.uk 0208 356 2018
Comments for and on behalf of the Director of Legal and Governance Services	Patrick Rodger, Senior Lawyer Patrick.Rodger@hackney.gov.uk 020 8356 6187
Comments of Procurement Category Lead	Dawn Cafferty, Procurement Category Lead (Social Care Services and Corporate) dawn.cafferty@hackney.gov.uk 0208 356 8697

Appendix A - Evaluation Criteria

Criteria	Criteria Weighting	Sub-Criteria/Proposal areas	Sub-Criteria Weighting
Suitability - Economic and Financial Standing	N/A	<ul style="list-style-type: none"> • D&B Failure score : above industry average; • Current Ratio: > = 1 • Turnover > = £500,000 	Pass/Fail
Suitability - Technical and Professional Ability	N/A	Experience of operating, in the last 3 years, a scheme(s), involving a minimum of 200 bikes over 12 months.	Pass/Fail
Insurance	N/A	<ul style="list-style-type: none"> • Public Liability Insurance: £10million minimum; • Employee Liability Insurance: as required by Law 	Pass/Fail
ACCREDITATIONS	N/A	QA0 - MANDATORY ACCREDITATIONS	Pass/Fail
QUALITY	65%	Q.A1 - OPERATIONS	30 %
		Q.A2 - PARKING	30 %
		Q.A3 - ENGAGEMENT	15 %
		Q.A4 - SAFETY AND MAINTENANCE	15 %
		Q.A5 - MONITORING	5 %
SUSTAINABILITY	5%	Q.A6 - LLW	Pass/Fail
		Q.A7 - SOCIAL VALUE ASSURANCE	100 %
FINANCIALS	30%	Q.B1 - ACCEPTANCE OF CONTRACT CHARGES	Pass/Fail
		Q.B2.1 - OPERATOR VOLUNTARY ANNUAL CASH CONTRIBUTION	100%

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CPIC Briefing Note - 14 February 2022

Parks and Green Spaces

Concession Opportunities – Catering and Food

1. Introduction

- 1.1 The Council is responsible for developing, managing and maintaining 58 parks and green spaces across the Borough totalling approximately 282 hectares, ranging from major parks and green spaces such as Hackney Marshes, London Fields and Clissold Park to small gardens such as Hoxton Square and Church Street Gardens.
- 1.2 A number of the Borough's parks and green spaces (and the buildings within them) could accommodate a financially viable temporary or permanent concession to generate income for the Council and provide an enhanced service to residents / users.
- 1.3 This briefing note sets out where catering / food concession opportunities may exist and what approach is proposed to procure operators for them.
- 1.4 Given the nature of concession opportunities in parks and green spaces, their procurement is not a matter for CPIC under its Terms of Reference. However, the Chair has requested a briefing note be brought to the Committee for awareness only.

2. Background

- 2.1 A concession is a legal agreement which allows an external organisation to promote and sell goods and services on one of the Council's sites. Almost anything can be a concession, such as:
 - Boat hire
 - Cafes / restaurants
 - Cycle hire
 - Deckchair hire
 - Ice cream vans
 - Mini golf
 - Mobile caterers
 - Sports equipment hire
 - Vending machines
- 2.2 Ideas for concessions can come from the site itself or from proposals by external organisations. Concessions should enhance visitors' experience of the site and not detract from it. Concessions frequently boost the appeal of a site and encourage new and repeat visitors.
- 2.3 There are many ways a concession can generate income. The concession holder can be charged a fixed ground rent for using space on a site; they can pay a proportion of total sales or a combination of the two.
- 2.4 To achieve value for money it is beneficial to invite organisations to run a concession through an open tender process. This is a useful way of identifying the organisations who want to deliver the concession along with the quality and price they are proposing.

2.5 The length of leases to run the concession also needs to be considered. Short-term leases would allow the Council to change lease holders if the concession is not being run as we would like. However, short-term leases are also less attractive to organisations, often limit investment and are significantly more work to administer. It is therefore likely that most (but not all) concession opportunities will be offered for 3-5 years (with the option, at the Council's sole discretion, to extend for a further 2 years).

3. Parks and Green Spaces – Catering Concession Opportunities

3.1 There are a number of sites / buildings in parks and green spaces that could potentially accommodate a financially viable temporary or permanent catering concession to generate income and provide an enhanced service to users. Some of the permanent opportunities may require some initial investment from the Council (which is already budgeted for) but could generate an income going forward.

3.2 The sites being considered for new **permanent catering concessions** are set out in Appendix 1 to this report, although ultimately the market will determine what is attractive / viable via a tendering exercise.

3.3 The sites being considered for new **temporary catering concessions** (ice cream, market or street trading) are set out in Appendix 2 to this report.

4. Procurement of Concession Opportunities

4.1 Unlike the market or street trading opportunities (that will be delivered in partnership with the Markets Service through their normal channels if it is considered the opportunity / site is viable), all permanent concession opportunities and ice cream concessions in parks and green spaces will be subject to an open tender process that is advertised in line with the Council's standing orders. The opportunities would also be promoted via existing databases of people that have expressed an interest, Hackney business networks and other community networks.

4.2 To achieve the above it is proposed that a number of separate but linked tendering processes are undertaken as follows in a phased way (as set out above and subject to Officer resource):

(a) Ice Cream Concession Tender (one tender with separate lots for each site); and

(b) Permanent Catering Tender (individual tender process for each site).

4.3 Prior to each tendering process taking place an Invitation to Tender (ITT) would be developed and agreed - each ITT would reflect the scale of each tendering opportunity. The ITT would comply with the Council's Sustainable Procurement Strategy, and ensure that bidders consider the environmental, economic and social impact of their operation. The Parks and Green Spaces Service will work with the Council's Public Health Team, Sustainability Team and Workforce Development Team to develop the tender documents. Kiosk operators will not be permitted to use single use plastic, and will be expected to outline how they will:

- minimise their waste
- maximise the use of reusable and biodegradable packaging
- maximise recycling (if reusable containers are not an option)
- minimise food miles and procure locally as much as possible

- reduce energy use and minimise their carbon footprint
- follow Hackney's healthy eating guidelines
- pay the London Living Wage.

4.4 Given the very small size of most of the kiosks, the majority of tenders will be received from small, local businesses. Opportunities for apprenticeships will be limited given the size of the operations, but companies will be asked what scope there is for providing work experience, training and employment to local people. It is anticipated that this approach is likely to be supported by the variety of Parks Users Groups.

4.5 It should also be noted that most (if not all) of the permanent catering opportunities are likely to be subject to local planning permissions; either for change of use or new development where necessary.

5. Conclusion

5.1 With the increasing popularity of the Borough's parks and green spaces a number of them could accommodate a financially viable temporary or permanent concession to generate income for the Council and provide an enhanced service to residents / users.

Appendix 1 - Permanent Catering Concessions

Site	Concession Opportunity	Tender Phase
Abney Park	Develop a permanent café offer as part of the NLHF refurbishment of the site	Phase 1 (2022/23)
Clissold Park - Pump House	A small kiosk in Pump House - either catering or other small business opportunity	Phase 1 (2022/23)
De Beauvoir Square	Develop a permanent café offer in the old Park Keepers Hut	Phase 2 (2023/24)
Fairchild's Garden	Develop a permanent café (utilising a container) as part of wider site refurbishment proposals	Phase 1 (2022/23)*
Hackney Downs	Develop a permanent café offer in the Pavilion	Phase 2 (2023/24)
Haggerston Park	Develop a permanent café offer in the old Park Keepers Hut	Phase 1 (2022/23)
Hoxton Square	Develop a permanent café offer in the old Park Keepers Hut	Phase 2 (2023/24)
Millfields Park	Develop a permanent café offer in a redundant area of the toilet block	Phase 2 (2023/24)

*Subject to refurbishment programme

Appendix 2 - Temporary Catering Concessions

Site	Ice Cream (Seasonal - May to Sept)	Market	Street Trading	Description
Abney Park	-	✓	-	Following the refurbishment of Abney Park Cemetery in early 2023 there may be an opportunity to deliver a small weekly / monthly market in the forecourt area
Aske Gardens	-	-	✓	There is an option for a single street trader - likely coffee or street food
Clissold Park - Hard Standing Area	-	✓	-	A weekly food market opportunity on the hard standing area adjacent to the House
Hackney Downs	✓	-	-	There is the option of a seasonal ice cream concession in the site
Haggerston Park	-	✓	-	A weekly / monthly market opportunity on the main path that runs from Hackney Road
Homerton Grove	-	-	✓	There is an option for 1 or 2 street traders - likely coffee or street food
London Fields	✓	-	✓	There is an option for a single street trader in the area adjacent to the flower sellers. In addition there is the option of a seasonal ice cream concession in the park
Mark Street Gardens	✓	-	✓	There is an option for a single street trader. In addition there is the option of a seasonal ice cream concession

Millfields	✓	-	-	There is the option of a seasonal ice cream concession in the park
Morry Levy Memorial Gardens	-	-	✓	There is an option for a single street trader - likely coffee but could be other
Shoreditch Park	-	-	✓	There is an option of a single street trader in an area adjacent to the refurbished play area / outdoor gym when wider refurbishment project is completed in early 2023
Springfield Park	✓	-	-	There is the option of a seasonal ice cream concession in the site
Stonebridge Gardens	-	-	✓	There is an option for two street traders on the area of hard standing adjacent to the station - likely coffee but could be other
Well Street Common	✓	-	-	There is the option of a seasonal ice cream concession in the site
Windsor Terrace	-	-	✓	There is an option for a single street trader - likely coffee but could be other

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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