

## **MINUTES OF A MEETING OF THE CABINET PROCUREMENT AND INSOURCING COMMITTEE**

**MONDAY 18 JULY 2022**

**Councillors Present:** Councillor Robert Chapman in the Chair  
  
Deputy Mayor Anntoinette Bramble,  
Councillor Christopher Kennedy and  
Councillor Caroline Woodley

**Apologies:** None.

**Officers in Attendance:** Rotimi Ajilore, Head of Procurement Tessa Mitchell  
Tessa Mitchell, Governance Team Leader

**Also in Attendance:** Dawn Cafferty, Category Lead (Social Care  
Services)  
Matthew Cain, Head of Digital and Data  
Justin Feltham, PMO Manager, Property and  
Capital Team  
Merle Ferguson, Procurement Strategy and  
Systems Lead  
Norman Harding, Fleet Manager  
Wayne Hylton, ASB & Estate Safety Manager  
Mario Kahrman, ICT officer  
Suzanne Johnson, Head of Area Regeneration  
Timothy Lee, Public Health Commissioning  
Manager  
Tyler Linton, Group Engineer  
Jonathan Lyons, Head of Marketing and  
Commercial Services  
Jeremey Martin, Head of Energy & Carbon  
Management  
Constant Mccoll, Senior transport planner  
Hayley Miller, Project Director, Britannia Phase 2b  
Jennifer Millmore, Senior Public Health Specialist  
Celine Mionnet, Developer and Business  
Engagement Manager  
Tessa Mitchell, Team Leader, Governance Services  
Patrick Rodgers. Senior Lawyer Legal Services  
Paul Saunders, Facilities Operations and Contracts  
Manager  
Gareth Sykes, Governance Officer  
John Tsang, Development Management and  
Enforcement Manager  
Andrew Trathen, Consultant in Public Health

Vincent Stops (local resident)

Observing (remotely)

Councillor Alastair Binnie-Lubbock

**1 APOLOGIES FOR ABSENCE**

1.1 There were no apologies for absence.

**2 Urgent Business**

2.1 There was no urgent business to consider.

**3 DECLARATIONS OF INTEREST - Members to declare as appropriate**

3.1 There were no declarations of interest.

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

4.1 There were no representations to consider.

**5 DEPUTATIONS/PETITIONS/QUESTIONS**

5.1 Questions had been submitted by local resident Vincent Stops for item 11.

**6 UNRESTRICTED MINUTES OF THE PREVIOUS MEETING OF CABINET PROCUREMENT COMMITTEE HELD ON 13 JUNE 2022**

6.1 The committee considered the minutes of the previous meeting held on 13 June 2022.

**RESOLVED:**

**That the unrestricted minutes of the Cabinet Procurement and Insourcing Committee held on 13 June 2022 were approved.**

**7 FCR S114 LBH Britannia Phase 2b Marketing & Branding Agent Contract Award Report**

7.1 The Project Director for Britannia Phase 2b introduced the report. They outlined the process which has been followed to select a preferred bidder for the provision of Marketing and Branding services for LBH Britannia Phase 2b during the Strategy, Pre-Sales and Sales Phase of the project's delivery.

7.2 The Project Director for Britannia Phase 2b confirmed that across three areas of the project the Council was confident the recommended bidder would deliver the agreed community plan. Its delivery would be monitored through Key Performance Indicators (KPIs) the recommended bidder was keen to promote the work being undertaken in the borough working with local businesses and choosing local suppliers where possible. There would also be work undertaken with local schools to bring forward apprentices in the creative industries.

- 7.3 The Project Director for Britannia Phase 2b explained that they could not detail the exact amount submitted by each bidder as this information was set out in the exempt appendices. However the Project Director explained that the fixed price element of the project was on phase one only whereas the cost score was across all three phases. To some extent the pre-sales and sales phases by the bidders was based on their assumptions of their sales and marketing strategy. The fixed price element for phase one there was very little difference between the second and third place bidders for example. In terms of the original overall score the recommended bidder came fourth out of the five bidding companies.

**RESOLVED:**

**The Cabinet Procurement and Insourcing Committee approved to:**

- **Award the contract for Marketing and Branding Agent services for Britannia Phase 2b to Bidder 3 in line with the fee set out in Exempt Appendix A - Tender Evaluation Detail; and**
- **Enter into a Services Agreement and any other ancillary legal documentation necessary relating thereto with Bidder 3 for the Services under such terms as shall be agreed by the Director of Legal, Democratic and Electoral Services, and authorise the Director of Legal, Democratic and Electoral Services to prepare, agree, settle and sign the necessary legal documentation to effect the proposals contained in this report.**

**REASONS FOR DECISION/OPTIONS APPRAISAL.**

- 7.4 The report outlines the process which has been followed to select a preferred bidder for the provision of Marketing and Branding services for LBH Britannia Phase 2b during the Strategy, Pre-Sales and Sales Phase of the project's delivery.
- 7.5 The role would commence with a Fixed Price strategy phase. The Marketing and Branding Agent would co-author the Sales and Marketing Strategy in collaboration with the Sales Agent, and develop a naming and branding strategy. They would also provide input into the Sales Agent's Development Consultancy Services, where the influences or affects the naming, branding and marketing of the product. Key outputs would be:
- Marketing and Brand Strategy
  - Masterplan Brand
  - Naming Convention, Block Convention and Release Strategy
  - Brand Guidelines Creation
- 7.6 The engagement would then move into the Implementation Phase, in line with the agreed Implementation Plan and budget agreed during the Strategy Phase. The Implementation Phase would be split into the Pre-Sales Phase and the Sales Phase. A move to commence the Sales Phase of the project would be subject to Cabinet approval, as part of the Contract Award report for the selection of a Design and Build Contractor for the Phase 2b project. This was currently programmed for January 2023.
- 7.7 The expedient instruction of the Marketing and Branding Agent was key to ensure that the Strategy and Pre-Sales work was completed in order to enable a Sales Launch at the earliest opportunity during the construction phase – this

was of particular importance given the requirement to de-risk the development by way of off plan sales. The precise nature and timing of the launch would be subject to the agreed Sales & Marketing Strategy which was the first deliverable of this appointment. As set out in the Business Case, the total value of the Marketing and Branding Agent services over the life of the contract was anticipated to be above the current threshold of £213,477 (including VAT) under Regulation 5 of the Public

Contracts Regulations 2015. Therefore it was necessary to publish a Find A Tender notice in respect of the procurement of the services. This was undertaken using the Open Procedure pursuant to Regulation 27 of the Public Contracts Regulations 2015.

- 7.8 As part of the Quality bid (10% of the maximum available 60% allocated to the Quality response), bidders were required to commit to specific outcomes in response to Hackney's Sustainable Procurement Strategy. The response and commitments of the recommended bidder are set out in paragraphs 7.1 to 7.3 to this report.
- 7.9 As clarified during the bid, the fees proposed for Phase 1 - Strategy, are fixed, based on the supplier's response to the specification, and based on their experience of delivering marketing and branding strategy outputs for projects of a similar scale, price point, and context to Britannia Phase 2b. To enable flexibility in the commercial models of each bidder, and to pre-empt any additional services which may be called off in the future, each bidder was also asked to submit a schedule of rates.
- 7.10 As the final fee for the engagement would be subject to the agreed Sales and Marketing Strategy, the award of contract was on the basis of a Fixed Price for Stage 1 - Strategy, an indicative budget for Stage 2 - Pre Sales and Stage 3 - Sales, and an agreed Schedule of Rates. An analysis of this by bidder is set out at Exempt Appendix A - Tender Evaluation Summary.

## **8 CHE S116 Lead Architect for the Hackney Town Centre Site Regeneration Programme contract award**

- 8.1 The Head of Area Regeneration presented the report updating Members on the progress of the Dalston and Hackney Central Town Centre Sites programme. Expenditure on the programme was first approved by Cabinet in September 2020 and the report sought approval to enter into a contract to appoint a lead architect for the initial phase of work which will consist of the preparation of feasibility studies for the nine Council owned sites in the programme.
- 8.2 The Head of Regeneration confirmed that there would be four university/further education work placements offered as part of the contract.
- 8.3 On those sites that for any reason could not be redeveloped, the Head of Regeneration explained that the Council would need to take a view about the programme and adopt a staged approach. Until the Council completed one stage it would not be clear if work could be progressed on to the next stage. Therefore the architectural feasibilities studies would be combined detailed financial testing and if it appeared at that stages that some of the sites were not financially viable the Council at that stage, using the required appraisals, would discuss those sites with the market to determine if there was anything they

could offer in terms of the development of those sites. The Head of Regeneration explained reiterated that the programme's Council's intention was take a staged approach as the Council had not previously looked at the sites in great details before.

- 8.4 In terms of the level of risk was to the Council, the Head of Regeneration explained that initially when the work had been undertaken there had been a low level of risk contract. The work had now been split into different stages of approval was that the only reasons why there was going to be the appointment of one Lead Architect to stage one was that the Council wanted to test the financial feasibility of the work. Some initial work had been undertaken and the Head of Regeneration was confident that the sites should be financially viable. The project was previously categorised as low risk but should that change that could impact on the next stage of the work.

**RESOLVED:**

**The Cabinet Procurement and Insourcing Committee agreed to:**

- **To approve the award of the Lead Architect contract to Supplier A on a fixed fee of up to £714,566.51 to deliver the initial phase of the Town Centre Sites regeneration programme, which consists of the preparation of architectural feasibility studies for nine Council owned sites in Dalston and Hackney Central.**
- **To delegate authority to the Group Director of Climate, Homes and Economy, in consultation with the Group Director of Finance and Corporate Resources, to award subsequent call-off contracts for future work phases to Supplier A, within the existing £1.84m budget.**

**REASONS FOR DECISION**

- 8.4 The decision to appoint the Lead Architect for the Town Centre Sites programme will provide the Council with the required design and engineering skills needed to complete comprehensive feasibility studies to determine the best future use and the financial viability of these important sites. In particular the appointment will allow the Council to deliver against Local Plan objectives and corporate priorities which are set out below.
- 8.5. The maximisation of opportunities on Council land and sites will provide an uplift to Hackney's two major town centres in terms of new uses and facilities, new homes, commercial space, and jobs and help to meet the objectives set out in the Inclusive Economy Strategy and the Local Plan Town centres have been identified as key locations to deliver the growth objectives of the Local Plan, and considering 9 sites in Hackney Central and Dalston town centres for redevelopment will support the delivery of the boroughs growth strategy, which includes the delivery of 26,250 additional homes, 23,000 new jobs, 34,000sqm of new retail and leisure floorspace and 117,000sqm of new business floorspace by 2033.
- 8.6 The nine sites that make up the programme are set out in the table below:

A	Hackney Central Station car park (and surrounding Council-owned
B	B 333-337 Mare Street (Iceland), 231-237 Graham Road

C	Hackney Town Hall car park (not allocated in the Local Plan)
D	Hackney Housing Florfield Depot (Reading Lane), Maurice Bishop House (17 Reading Lane), Roberts House (6-15 Florfield Road), Vacant plot on Florfield Road / Florfield Passage
E	1-3 Dalston Lane and 1-7 Ashwin Street
F	2-16 Ashwin Street, 11-13 Dalston Lane
G	Abbot Street Car Park, Dalston (not allocated in the Local Plan)
H	Former CLR James Library, 16-22 Dalston Lane, 62 Beechwood Road
I	Birkbeck Mews

- 8.7 The Hackney Central Place Policy in the Local Plan (PP3) sets strategic principles to strengthen the role of the town centre, to create more opportunities for retail, workspace, leisure, community uses and to deliver new homes, including genuinely affordable new homes alongside an improved public realm and town centre environment. The appointed Lead Architect will undertake design and feasibility work on four Town Centre Sites; which in turn will allow the Council to progress the delivery of the policy aspirations for the area.
- 8.8. The Dalston place policy in the Local Plan (PP2), sets strategic principles to strengthen the role of the town centre, to create more opportunities for retail, workspace, leisure, community uses and to deliver new homes, including genuinely affordable new homes. The Local Plan also seeks to ensure that the creative, cultural and social organisations that give Dalston its distinctive identity will be sustained alongside the delivery of new homes, jobs and improved retail facilities. In addition, the Local Plan identifies the need to extend and improve Dalston's public realm, green and public open spaces.
- 8.9 This procurement also aims to address the transport and development commitments in the Community Strategy 2018-2028 by supporting the best options for increasing public transport capacity and connectedness in the borough, through working collaboratively in a multi-disciplinary way in partnership with key stakeholders such as Transport for London (TfL) and neighbouring boroughs. The feasibility work will explore the options to create a long term permanent entrance to Hackney Central Station, to increase capacity, accessibility, safety and passenger experience.
- 8.10 The programme also supports the Council's Housing Strategy 2017-2022 by seeking to increase the supply of genuinely affordable homes available to local people for rent and sale in the borough. Six out of the nine sites are identified as housing locations, and the feasibility studies will explore the delivery of new homes on these sites.
- 8.11 The Council's Inclusive Economy Strategy 2019-2025 supports development and optimisation of Council owned assets for the benefit of the boroughs economic areas. The three overarching objectives in the strategy are:
- Priority 1 - Support local neighbourhoods and town centres to thrive and to be inclusive and resilient places
  - Priority 2 - Champion and support local business and social enterprise in Hackney and protect and maximise the delivery of affordable workspace in the borough
  - Priority 3 - Connect residents to high quality employment support and opportunities to learn new skills, get good quality, well paid work and progress their career throughout their working life

- 8.12 The Town Centre Sites Programme will deliver on all three objectives by helping to support high streets and town centres to diversify and thrive and be resilient, especially in light of current pressures on the performance of retail and the acceleration and continued growth of online shopping, the need to increase the provision of affordable workspace and to provide new employment opportunities in our town centres.

## **9 AHI S104 Wellbeing Network**

- 9.1 A Consultant in Public Health introduced the report which outlined how the Integrated Mental Health Network would be delivered by a lead provider with elements of the service sub-contracted to a number of specialist providers. This would ensure a diverse service with multiple community providers that would reduce access barriers and ensure culturally relevant interventions. At the same time a lead provider responsible for the overall management of the service would ensure an efficient, well run service with equality of access based on need.
- 9.2 The Committee welcomed the report and thanked officers for all their hard work on the programme. The members noted that in relation to the Better Health Fund, that with the first round of applications there was so many organisations with good quality bids that with the second round the Council was able to state that they would not fund anyone that who had applied in the first round. This would give entirely new organisations the opportunity to contribute to better mental health in Hackney.
- 9.3 On the issue of insourcing, the Consultant in Public Health explained that currently the Council was unable to reconcile insourcing as an appropriate direction for this project. However, the Council would continue to keep under review and for the duration of the new contract and to identify if there was any barriers that were solvable.
- 9.4 The Council's Senior Public Health Specialist added that in terms of insourcing one of the key areas of focus should be access to mental health services. Further work could be undertaken to look into this matter but through the consultation work it had become clear that the current service offered a different service to the NHS and the local authorities. With the model but forward, with a number of small providers in the network, some of those providers were already embedded in communities and opened opportunities for the Council to engage with parts of the local community they had not previously been able to engage with. Bring the service in-house could have implications for the reach the Council currently have into those communities maybe quite significant.
- 9.5 The Chair recommended that the issue of insourcing should be kept under review by the Council's public health service and the committee.

### **RESOLVED:**

**The Cabinet Procurement and Insourcing Committee agreed to:**

1. **The procurement of the Integrated Mental Health Network service commencing on 1st July 2023 for a period of up to four years, at a maximum value of £5,400,000 (£1,350,000 per year).**
2. **A three month extension of the existing contract for the Integrated Mental Health Network service with Mind - City, Hackney and Waltham Forest until the end of June 2023 at a cost of £336,062.50 (£1,344,250 annual equivalent).**

## REASONS FOR DECISION

- 9.4 Building on the successes of the existing service, the redesigned Integrated Mental Health Network will further improve the coordination of services whilst also more effectively targeting those with the greatest need.

### Service description

- 9.5 The proposed service will provide holistic, innovative and evidence based mental health support to people with complex mental health problems to improve their wellbeing. These interventions will include talking therapies, 1:1 coordination, support groups, education sessions, activities, digital interventions and practical support. The support offered will be holistic, person centred support, including a strong emphasis on service user choice and control and, where appropriate, will be delivered in partnership with other relevant support services. The ultimate goal is to enable the resident to successfully move on from needing mental health services to long-term wellbeing and independence.
- 9.6 The Integrated Mental Health Network will deliver improvements in mental health and wellbeing outcomes for City and Hackney residents. This should also lead to a reduction in secondary care admissions and risk of crisis. It should also lead to a reduction in dependence on other local support services. Mental health was closely linked to issues such as employment, substance use, poverty and experience of trauma. By providing holistic mental health support to residents, the service should have a positive impact on employment, payment of bills and dependence on local support services.
- 9.7 Another key aim of the service was to contribute to a reduction in health inequalities, which will be achieved by targeting residents with complex needs, as well as through the design and range of interventions provided, ensuring they are tailored towards the communities with the highest need and barriers to accessing mental health support.
- 9.8 The primary target population group for the service will be City and Hackney residents with high and complex mental health needs, who are ineligible or too complex for primary mental health services but do not meet the threshold for secondary care, something that has been identified as a gap both locally and nationally. The service will also use its infrastructure and expertise to facilitate the development of community based, lower level and preventative mental health interventions.
- 9.9 Excellent partnership working and coordination will be a priority for this service.



**10 FCR S118 Hackney residential on-street Electric Vehicle Charging Points Contract award**

- 10.1 The Council's Senior transport planner introduced the report which outlined to the Committee of the results of the procurement exercise carried out between June 2021 and May 2022 to deliver and operate a network of Electric Vehicle Charging Points (EVCP's) within the borough and recommends the award of three contracts for a 15 year term to Bidders C & G.
- 10.2 The Cabinet member for environment and transport, Councillor Mete Coban, spoke briefly welcoming the report and supporting the work that had been undertaken.
- 10.3 On the matter of accessibility particularly in relation to lamp columns, the Senior Transport Planner explained that it was an issue high on the service's agenda. They would ensure that any impact that occurred was complementary to the Council's other schemes to improve cycling and walking. With lamp columns it was recognised that there was an addition when people were charging their electric vehicles so the Council would ensure that on each lamp column was installed with a dedicated EV bay. This would allow members of the public do not only charge their EVs but also minimise the risk of trailing cables. The EVCPs would be within the boundaries of the parked car.
- 10.4 Councillor Coban added that the programme was seeking to install at least one EVCP on every Council estate in Hackney.
- 10.5 The Council's Fleet Manager explained that a great deal of work would have to be undertaken regarding this area of work in relation to the Council's fleet of vehicles. Hackney Council had one of the largest fleet of vehicles in London with currently 521 vehicles. So in order to plan for wide rollout the Council would need to consider how the work would be undertaken over a number of depots with parked vehicles overnight. There was required work to assess the power supply to depots and the work required to upgrade the power based on the assumption that the rest of the Council fleet was to be electrified.

**RESOLVED:**

**The Cabinet Procurement and Insourcing Committee agreed to:**

- **Award the delivery and concession contract to:**
  - **Bidder C- for Contract 1- Rapid charges**
  - **Bidder G- for Contract 2&3 Fast and slow charges**
  - **Do not award contract for Contract 4- Fleet charges**
- **To enter into a Concession Contract and other ancillary legal documentation relating thereto for the installation of electric vehicle charging points under terms as shall be agreed by the Director of Legal, Democratic and Electoral Services, and authorise the Director of Legal, Democratic and Electoral Services to prepare, agree, settle and sign the necessary legal documentation to effect the proposals contained in this report.**

- **Note that a recommendation will be made to Cabinet that surplus revenue generated by the EV charge points is used to support active and sustainable travel projects that support the Council’s wider aims to reduce private vehicle use. “Surplus revenue” will mean any monies left over after covering lost income and direct staff costs relating to managing the project. This report is dependent on the successful outcome of the separate decision on additional resource for staff costs.**

## REASONS FOR DECISION

- 10.5 The report outlines the procurement process for securing long term partner supplier/s using a Competitive Procedure with Negotiation procurement route, and entering into a Concession contract for borough wide electric vehicle charging infrastructure in Hackney.
- 10.6 Through the borough-wide electric vehicle charging points rollout - as well as additional policies to restrict private petrol and diesel motor vehicles - the Council aims to achieve the following objectives:
- Reduction in overall motor vehicles ownership in the borough
  - Increase in proportion of electric vehicles, through encouraging the transition of remaining vehicles to EV
- 10.7 The two main factors deterring people from switching to electric vehicles are anxiety around charging and battery range. By providing a high supply of EVCPs, the Council anticipate an increase in the likelihood of residents switching to EVs. It was recognised that complementary policies aimed at restricting car ownership, of any sort, will also be needed to achieve a reduction in car ownership overall. For this purpose, the Council aim to create a charging infrastructure that will drive demand, rather than follow demand.
- 10.8 Council to date has 303 charging points, meeting in 2018 Mayor Manifesto Commitment for everyone in the borough to be 500m from an EV charge point.

No. of active charging points	
Type	Total
Free standing Fast	45
Free standing Rapid	16
Free standing smart fast	30
Lamp column	212
<b>Grand total</b>	<b>303</b>

- 10.9 The Council wants to be more ambitious and accelerate the switch to EVs through a number of measures, including parking restraint measures, as well as a high provision of EVCPs. With the right set of measures, the Council can influence the adoption of EVs in line with the projection in the figure below, which sees the supply of EVCPs leading the demand. For this purpose, the provision of the 2041 EVCP requirements of 3,000 charging points ahead of time will address consumer anxiety around availability of charging. The Council proposes to supply the 2041 requirement by 2030.
- 10.10 The long term contract and partnership style promotes cooperation between the supplier and the Council and will allow for a partnership delivery approach. The Council and its appointed partner/s will share responsibility for delivery, tariff setting, profit sharing and risk management.

- 10.11 A Concession based contract will include the provision of infrastructure of electric vehicle charging points for the borough which was fully funded by the partner/s, with flexibility to amend the contract and allow the Council to contribute any government grants received into the scheme so as to enable the Council to secure wider community benefits for the borough through this contract.
- 10.12 The recommended partners bids exceed the expectations set out in the Invitation to Tender specification, offering the Council fully funded infrastructure for electric vehicle charging points across the borough and a share of income. The total expected revenue/profit share expected from the 15 years concession contract per Contract 1-3 are included in Appendix 1.
- 10.13 The selected bidders have also completed the Employment and Skills Plan for 2022/23 for each Contract, listed in Appendix 2. The submitted plans explain the added economical value to the borough with the number of jobs created, apprenticeships and opportunities for local skills and development which this project was looking to deliver.
- 10.14 Awarding the contract will significantly contribute to the Climate Action Targets for the borough and reduce the impact of high polluted emissions from fossil fuels vehicles. The project was identified in both the current Air Quality Action Plan and Borough-wide Emission Strategy, and Transport Strategy. The outcome and the impact on improving air quality from less polluted vehicles will be measured as part of the wider air quality assessment for the borough, along with other sustainable transport measures, such as Low Traffic Neighbourhoods and School Streets.

## **11 External Advertising Contract Extension - Business Case 2022 general exception**

- 11.1 The Council's Head of Marketing and Commercial Services introduced the report which outlined a pragmatic approach to advertising units on Hackney's pavements. The report also sought provide updated findings result of assessment work undertaken by the Council during 2021 including;
- Providing the assessment outcome of a Planning Performance Approach [PPA] review of all of the current external advertising Sites;
  - Providing feedback from internal and external stakeholders in relation to the current and future contracts;
  - Providing an overview of the potential revenue this concession contract could generate; and
  - Highlighting the importance of the Out of Home [OOH] channel as part of the Council's communication mix, specifically focussing on emergency and service change information.

11.2 The Chair invited local resident, a Mr Vincent Stops, to ask a question.

11.3 Mr Stops asked the following question:

The Council s required to give 28 days' notice of a key decision. The Council had not done this. This was noted in the published report. Why could the

Council not give the proper notice and what if any impact would this have on this key decision if it was delayed until proper notice can be given?

11.4 The Council's Head of Marketing and Commercial Services explained that there was a delay because the published report had generated a low risk rating and that did not necessarily have to come to the CPIC. As of result of this, after speaking to the Council's legal team, the information was queried and the Head of Procurement agreed that due to Councillor and public interest that it should be put on the agenda for the 18 July 2022 CPIC meeting agenda. This was without the timeframe that Mr Stops had highlighted. In terms of implications to key decisions the Council wanted to get it on to the July CPIC meeting agenda as the next meeting was not until early September otherwise the general procurement process would not be able to be reached within the remaining time of the extension period as previously agreed at CPIC in August 2021.

11.5 Mr Stops had also submitted a number of other written questions, these were as follows;

1. Section 115 E of the Highways Act 1980 requires a public benefit from structures on the pavement. They are supposed to be council information boards. These look like commercial advertising screens. What is the claimed public benefit of these structures?
2. The same section of legislation requires permission of highway frontages for such structures that generate income. Can you demonstrate the council has these permissions in place? Will it be seeking these permissions?
3. Councillors were promised the number of boards would be reduced to 25. Why are 40 now proposed? Where was this decision made?
4. The majority of these screens are on TfL highway. How will that work with the tender and contract process? Does Hackney have the powers to agree contracts on the land of another highway authority?
5. Is it still the intention of Hackney Council to apply for the planning permissions?
6. The report says Transport for London (TfL) is a 'Planning Authority' in its own right. This isn't the case. Can you explain this or at least correct the report?

11.6 The Committee agreed that written responses would be provided to Mr Stops' other questions.

**RESOLVED:**

**Cabinet Procurement and Insourcing Committee agreed to:-**

- a) **Accept the assessment findings in this Report; and**
- b) **Agree to tender a new digital only concession contract for external advertising for a maximum period up to 10 years, with the option to extend for a further 5.**

## **12 General Exception- Security Framework Extension**

12.1 The Council's Head of Digital and Data introduced the published report which was requesting approval to extend the current security framework contract for Council regular and reactive security requirements and concierge services for Hackney residential blocks for a 12 month term.

12.2 There were no questions from Committee members.

### **RESOLVED:**

#### **Cabinet Procurement & Insourcing Committee agreed to:**

**The extension of the current Corporate Security contract with CIS Security Ltd to cover the period 4th August 2022 to 3rd August 2023.**

### **REASONS FOR DECISION**

12.4 The current contract between the Council and CIS Security Limited, which has a 4 year term and commenced on 4th August 2018, will expire on 3rd August 2022. The development of a business case was well underway but will not be concluded with the opportunity to present to the Cabinet Procurement & Insourcing Committee before contract expiration.

12.5 The security framework comprises three service lots. The three lots are:

- Lot A. Civic buildings security including guarding, key holding and alarm response
- Lot B. Vacant Premises & Estate security
- Lot C. Residential concierge service

12.6 The proposed extension will allow officers to conclude a full and exhaustive options appraisal including realignment of resources, redevelopment of remit and service model to better serve the current and future needs of the Council. In turn it will provide suitable and sufficient time for the decision making process and mobilisation of a new service. This period would also be used to implement the appropriate service structure and tools required to deliver an in-house service if it becomes apparent that this option was viable, practicable and offers best value for money for Hackney. It will also allow suitable consultation with Council tenants and leaseholders in relation to the future provision of the concierge service element of the framework. With the approval of the extension, the end date of the contract will be 3rd August 2023. Exhaustive work has been done on the insourcing of the security service and the extension will allow that full investigation to be completed, the outcome of which will soon be presented to Cabinet.

12.7. In 2021/22 the annual cost of contracted security services across the Council was £2.557M for Civic building security, £2.143M for Vacant premises & estate regeneration security and the Concierge service cost was £1.264M.

12.8 The service will continue to be funded from service budgets and resident recharges for concierge service. This report's primary objective was to obtain approval for an extension in order to meet Council's responsibility of providing a

- secured environment for staff and customers visiting Council premises as well as secure the Council's housing estates.
- 12.9 Corporate Facilities Management was leading on a joint business case development with Housing for a new security service and some of the delays experienced during the options appraisal have necessitated the extension of the current contract.
  - 12.10 The pandemic presented unprecedented challenges and demand on the Council. The primary focus for Facilities Management for much of that time was the implementation and management of safe work environments in line with constantly developing Government guidance. In so doing the Council was able to continue making Services safely accessible and available to residents as well as providing staff with sufficient assurance.
  - 12.11 FM worked closely alongside all Council Services, the team listened to and engaged with staff to overcome notable barriers, such as staff anxiety about returning to the office. Safety was always at the forefront of arrangements and approach. However, the team strived to ensure that working arrangements maximised opportunities for Services to carry on BAU within the workplace, despite the significant constraints placed on the Council by the pandemic. These have included developing/changing one way systems, monitoring ventilation/CO2 levels and introducing enhanced cleaning protocols, such as dedicated cleaners for shower facilities to encourage wider staff cycling as an alternative to public transport and a new fire strategy in line with flexible working.
  - 12.12. The pandemic had impact on the resource for business case development of the security service, but officers have at length assessed insourcing the security framework over the course of the last 18 months, including dissecting the service into factions.
  - 12.13. The Security service played an important role in Facilities Management and indeed wider Council pandemic response. The flexibility and fluidity of the service enabled swift deployment and mobilisation of the pan-borough PPE hub, Foodbanks, test & vaccine centres, and COVID Temporary Accommodation sites for some of the borough's most vulnerable.
  - 12.14. The contracted service has performed well in meeting its targets and objectives to ensure council buildings are safe, secure and welcoming in readiness for public and staff daily. The service has also risen in successfully meeting many challenges with high profile events such as the Local and Mayoral elections. The service provider employed maximum flexibility in delivering a high calibre service for these event programs, as well as supporting the COVID secure GLA election so that residents were able to cast their votes in a safe manner in each of the 130 polling stations across the borough.
  - 12.15. On this basis, officers certainly see value in insourcing the security service. However the business case development has been met with many key challenges that officers have proactively worked to overcome. These have been centred on risk, the workforce, business strategy and finance.

**Monday 18 July 2022**

- 12.16 Not to extend the contract would result in suspension of a security service to 27 Council premises, 13 residential blocks, 13 regeneration sites, which in turn would subject visitors, staff and vulnerable persons to undue risks. As well as predominant security and safety risks, there would be a notable reputational impact to the Council derived from front-facing facilities, ranging from core sites such as the Hackney Service Centre, to Hackney Libraries, to socially and geographically embedded Hackney Community Halls and Opportunity hubs.
- 12.17 The absence of a contract would however have immediate impact on effective venue hire of spaces such as Hackney Town Hall, the ability to uphold the terms of hire to the public and as such diminish revenue income generated. It would also mean that the Council would not be able to fulfil its delivery of concierge services for which the full cost is recovered from residents.
- 13 Energy contract Award report: Renewal of Gas and Electricity supply contracts - 2022/23**
- 13.1 The Council's Head of Energy and Carbon Management introduced the published report. Committee members noted that the report provided the outcome of 2022's purchasing round for energy used within Council offices, Hackney Housing and in Schools, where such Schools are part of the corporate contracting arrangement.
- 13.2 There were no questions from Committee members.

**RESOLVED:**

**Cabinet Procurement and Insourcing Committee agreed to:**

- a) **Note the outcome of the purchasing arrangements which have placed Supply contracts with the Energy companies as follows:**
- 1. The Half Hourly, Non-Half Hourly and Unmetered Electricity Supply contract is awarded to Total Gas & Power at an estimated value of £12.8m**
  - 2. The Gas Supply contract is awarded to Total Gas & Power at an estimated value of £4.7m.**
  - 3. A further £0.9m will be incurred in Climate Change Levy (CCL) payments on the bill.**
- b) **Note the indicative aggregate cost impact for Hackney, including Housing and Schools, from these tender awards is a 77% increase against last financial year's projection, the actual impact will be monitored via OFP.**

**REASONS FOR DECISION**

- 13.1 This report provides the Cabinet Procurement and Insourcing Committee with the results of the "risk managed flexible purchasing" exercise carried out on behalf of the Council by LASER between October 2021 and March 2022 for all gas and electricity supplies to secure a twelve month contract.

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- 13.4 The current contract prices for all supplies include those large Half Hourly (HH) electricity supplies including Unmetered (UMS) public street lighting, all gas and small Non-Half Hourly (NHH) electricity supplies for the year commencing 1st April 2022 to 31st March 2023 that were presented to the Council during May 2022.
- 13.5 For this year's supplies, the electricity contract was procured with 100% of its volume from renewable sources at £0.495ppkWh.
- 13.6 The contract for all supplies was for a twelve month period commencing from April 2022 to March 2023.
- 13.7 2020 was set to be the low point in the energy price cycle but this was extended by the pandemic with its resultant reduction in demand. As the world economy recovered, energy prices accelerated faster than predicted partly due to the loss of capacity during the extended low cycle of prices. The situation in 2021 was exacerbated by political intervention in the market, particularly by Russia withdrawing capacity, 2022 has been dominated by the impacts of military action in Ukraine and the resultant sanctions which have disrupted supply, a situation that is still unfolding.
- 13.8 For the 2022/23 energy supplies contract, the Council has been partially sheltered from the worst energy prices by the flexible purchasing process with 95% of the energy purchased before the end of 2021. The outturn of the next purchasing round which begins in October 2022 will very much depend on how the geo-political situation develops.
- 13.9 The Council will explore the adoption of PPAs going forward , this will also help with smoothing the price volatility of Electricity. If Electricity was procured via PPAs, the Council will continue with LASER to procure energy for the gas contracts and any residual electricity required.
- 13.10 As work to decarbonise Council buildings, including schools, progresses, this would shift demand from gas into electricity although the total kWh in aggregate would fall.

**14 Insourcing Annual Briefing Report: In house provision of cleaning services to Hackney BSF Schools**

- 14.1 This item was withdrawn from the meeting agenda.

**15 ANY OTHER UNRESTRICTED BUSINESS THE CHAIR CONSIDERS TO BE URGENT**

- 15.1 There was no urgent business to consider.

**16 DATE OF FUTURE MEETINGS**

- 16.1 The Committee members noted the following meetings dates. Meetings would start at 5:00pm (unless otherwise indicated):

- 5 September 2022
- 3 October 2022



- 7 November 2022
- 5 December 2022
- 16 January 2023
- 13 February 2023
- 13 March 2023 (4:00pm start)
- 17 April 2023

## **17 EXCLUSION OF THE PUBLIC AND PRESS**

### **RESOLVED:**

**THAT the press and public be excluded from the proceedings of the Cabinet Procurement and Insourcing Committee during consideration of Exempt items 18-24 on the agenda on the grounds that it is likely, in the view of the nature of the business to be transacted, that were members of the public to be present, there would be disclosure of exempt information as defined in paragraph 3 of Schedule 12A to the Local Government Act 1972 as amended.**

## **18 EXEMPT MINUTES OF THE PREVIOUS MEETING OF CABINET PROCUREMENT COMMITTEE HELD ON**

18.1 There was no exempt minutes to consider.

## **19 FCR S114 LBH Britannia Phase 2b Marketing & Branding Agent Contract Award Report**

19.1 The discussion and decision were set out at item 7.

## **20 CHE S116 Lead Architect for the Hackney Town Centre Site Regeneration Programme contract award**

20.1 The discussion and decision were set out at item 8.

## **21 FCR S118 Hackney residential on-street Electric Vehicle Charging Points Contract award**

21.1 The discussion and decision were set out at item 10.

## **22 Energy contract Award report: Renewal of Gas and Electricity supply contracts - 2022/23**

22.1 The discussion and decision were set out at item 13.

## **23 Insourcing Annual Briefing Report: In house provision of cleaning services to Hackney BSF Schools**

22.1 The item was withdrawn from the meeting agenda (see also item 14).

## **24 ANY OTHER EXEMPT BUSINESS THE CHAIR CONSIDERS TO BE URGENT**

24.1 There was no urgent business to consider.

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**END OF MEETING**

**Duration of the meeting: 5:00pm - 5:56pm**

**Chair of the meeting: Councillor Robert Chapman**

Contact:

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