



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 3 October 2022
at 5.00 pm**

The live stream can be viewed here:

<https://youtu.be/fRPcalOdSxk>

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 23 September 2022
www.hackney.gov.uk

Contact: Peter Gray
Governance Officer
governance@hackney.gov.uk

Cabinet Procurement and Insourcing Committee

Monday 3 October 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 13 below. New items of exempt urgent business will be dealt with at Item 18 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.

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
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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.

4 Notice of Intention to Conduct Business in Private, Any Representations Received and The Response to any such representations

On occasions part of the Cabinet Procurement 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 the public.

This agenda contains exempt items as set out at Items 16 - 18

No representations with regard to these have been received.

This is the formal 5 clear day notice under the Regulations to confirm that this Cabinet Procurement Committee meeting will be partly held in private for the reasons set out in this Agenda. Information) (England) Regulations 2012 (the “Regulations”), members of the public can make representations about why that part of the meeting should be open to the public.

This agenda contains exempt items as set out at Item 16 – 18

No representations with regard to these have been received.

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

5 Deputations/ Petitions/ Questions

To confirm the unrestricted minutes of the meeting of Cabinet Procurement Committee held on 18 July 20202

- 6 Minutes of the Previous Meeting** (Pages 9 - 18)
- 7 Provision of Care at Limetree Court and St Peter’s House Housing with Care Schemes - business case** (Pages 19 - 38)
- 8 Recommissioning - City & Hackney Enhanced Health Visiting Service** (Pages 39 - 70)
- 9 Kings Hall Leisure Centre (KHLC) Project: Design Team Services Contract Award Report** (Pages 71 - 84)
- 10 Insourcing Report - Gully Cleansing and Winter Maintenance** (Pages 85 - 92)
- 11 Insourcing Annual Briefing Report - In house provision of cleaning services to Hackney BSF School** (Pages 93 - 98)

12 Insourcing Annual Briefing Report - Building Cleaning Services
(Pages 99 - 108)

13 Any Other Unrestricted Business the Chair considers Urgent

14 Date of Future Meetings

Meetings will be held at 5.00pm on:

- 7 November 2022
- 5 December 2022

15 Exclusion of Public and Press

Note from the Governance Services

Item(s) 16 to 18 allows for the consideration of exempt information in relation to items respectively.

Proposed resolution:

THAT the press and public be excluded from the proceedings of the Cabinet Procurement Committee during consideration of Exempt items 16-18 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.

16 FCR S133 Procurement Of Bulk Road Fuels (Pages 109 - 120)

17 Kings Hall Leisure Centre (KHLC) Project: Design Team Services Contract Award Report (Pages 121 - 128)

18 Any other Confidential Business that the Chair Considers Urgent

Public Attendance

Following the lifting of all Covid-19 restrictions by the Government and the Council updating its assessment of access to its buildings, the Town Hall is now open to the public and members of the public may attend meetings of the Council.

We recognise, however, that you may find it more convenient to observe the meeting via the live-stream facility, the link for which appears on the agenda front sheet.

We would ask that if you have either tested positive for Covid-19 or have any symptoms that you do not attend the meeting, but rather use the livestream facility. If this applies and you are attending the meeting to ask a question, make a deputation or present a petition then you may contact the Officer named at the beginning of the Agenda and they will be able to make arrangements for the Chair of the meeting to ask the question, make the deputation or present the petition on your behalf.

The Council will continue to ensure that access to our meetings 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. The latest general advice can be found here - <https://hackney.gov.uk/coronavirus-support>

Rights of Press and Public to Report on Meetings

The Openness of Local Government Bodies Regulations 2014 give the public the right to film, record audio, take photographs, and use social media and the internet at meetings to report on any meetings that are open to the public.

By attending a public meeting of the Council, Executive, any committee or sub-committee, any Panel or Commission, or any Board you are agreeing to these guidelines as a whole and in particular the stipulations listed below:

- Anyone planning to record meetings of the Council and its public meetings through any audio, visual or written methods they find appropriate can do so providing they do not disturb the conduct of the meeting;
- You are welcome to attend a public meeting to report proceedings, either in 'real time' or after conclusion of the meeting, on a blog, social networking site, news forum or other online media;
- You may use a laptop, tablet device, smartphone or portable camera to record a written or audio transcript of proceedings during the meeting;
- Facilities within the Town Hall and Council Chamber are limited and recording equipment must be of a reasonable size and nature to be easily accommodated.
- You are asked to contact the Officer whose name appears at the beginning of this Agenda if you have any large or complex recording equipment to see whether this can be accommodated within the existing facilities;

- You must not interrupt proceedings and digital equipment must be set to 'silent' mode;
- You should focus any recording equipment on 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 to respect the wishes of those who do not want to be filmed and photographed may result in the Chair instructing you to cease reporting or recording and you may potentially be excluded from the meeting if you fail to comply;
- Any person whose behaviour threatens to disrupt orderly conduct will be asked to leave;
- Be aware that libellous comments against the council, individual Councillors or officers could result in legal action being taken against you;
- The recorded images must not be edited in a way in which there is a clear aim to distort the truth or misrepresent those taking part in the proceedings;
- Personal attacks of any kind or offensive comments that target or disparage any ethnic, racial, age, religion, gender, sexual orientation or disability status could also result in legal action being taken against you.

Failure to comply with the above requirements may result in the support and assistance of the Council in the recording of proceedings being withdrawn. The Council regards violation of any of the points above as a risk to the orderly conduct of a meeting. The Council therefore reserves the right to exclude any person from the current meeting and refuse entry to any further council meetings, where a breach of these requirements occurs. The Chair of the meeting will ensure that the meeting runs in an effective manner and has the power to ensure that the meeting is not disturbed through the use of flash photography, intrusive camera equipment or the person recording the meeting moving around the room.

Advice to Members on Declaring Interests

If you require advice on declarations of interests, this can be obtained from:

- The Monitoring Officer;
- The Deputy Monitoring Officer; or
- The legal adviser to the meeting.

It is recommended that any advice be sought in advance of, rather than at, the meeting.

Disclosable Pecuniary Interests (DPIs)

You will have a Disclosable Pecuniary Interest (*DPI) if it:

- Relates to your employment, sponsorship, contracts as well as wider financial interests and assets including land, property, licenses and corporate tenancies.

- Relates to an interest which you have registered in that part of the Register of Interests form relating to DPIs as being an interest of you, your spouse or civil partner, or anyone living with you as if they were your spouse or civil partner.
- Relates to an interest which should be registered in that part of the Register of Interests form relating to DPIs, but you have not yet done so.

If you are present at any meeting of the Council and you have a DPI relating to any business that will be considered at the meeting, you **must**:

- Not seek to improperly influence decision-making on that matter;
- Make a verbal declaration of the existence and nature of the DPI at or before the consideration of the item of business or as soon as the interest becomes apparent; and
- Leave the room whilst the matter is under consideration

You **must not**:

- Participate in any discussion of the business at the meeting, or if you become aware of your Disclosable Pecuniary Interest during the meeting, participate further in any discussion of the business; or
- Participate in any vote or further vote taken on the matter at the meeting.

If you have obtained a dispensation from the Monitoring Officer or Standards Committee prior to the matter being considered, then you should make a verbal declaration of the existence and nature of the DPI and that you have obtained a dispensation. The dispensation granted will explain the extent to which you are able to participate.

Other Registrable Interests

You will have an 'Other Registrable Interest' (ORI) in a matter if it

- Relates to appointments made by the authority to any outside bodies, membership of: charities, trade unions,, lobbying or campaign groups, voluntary organisations in the borough or governorships at any educational institution within the borough.
- Relates to an interest which you have registered in that part of the Register of Interests form relating to ORIs as being an interest of you, your spouse or civil partner, or anyone living with you as if they were your spouse or civil partner; or
- Relates to an interest which should be registered in that part of the Register of Interests form relating to ORIs, but you have not yet done so.

Where a matter arises at any meeting of the Council which affects a body or organisation you have named in that part of the Register of Interests Form relating to ORIs, **you must** make a verbal declaration of the existence and nature of the DPI at or before the consideration of the item of business or as soon as the interest becomes apparent. **You may** speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation.

Disclosure of Other Interests

Where a matter arises at any meeting of the Council which **directly relates** to your financial interest or well-being or a financial interest or well-being of a relative or close associate, you **must** disclose the interest. **You may** speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation.

Where a matter arises at any meeting of the Council which **affects** your financial interest or well-being, or a financial interest or well-being of a relative or close associate to a greater extent than it affects the financial interest or wellbeing of the majority of inhabitants of the ward affected by the decision and a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest, you **must** declare the interest. You **may** only speak on the matter if members of the public are able to speak. Otherwise you must not take part in any discussion or voting on the matter and must not remain in the room unless you have been granted a dispensation.

In all cases, where the Monitoring Officer has agreed that the interest in question is a **sensitive interest**, you do not have to disclose the nature of the interest itself.



MINUTES OF A MEETING OF THE CABINET PROCUREMENT AND INSOURCING COMMITTEE

MONDAY 13 JUNE 2022

Councillors Present:

Councillor Robert Chapman in the Chair

**Deputy Mayor Anntoinette Bramble,
Cllr Christopher Kennedy and Cllr Caroline Woodley**

**Officers in Attendance
remotely:**

Rozina Hussain, Grant Processes & Systems Manager
Employment, Skills & Adult Learning
Tony Connoles, Short Break Coordinator
Hayley Miller, Project Director
Robert Mathison, Interim Head of Property & Asset
Management
Andrew Munk, Head Of Employment, Skills & Adult
Learning
Justin Feltham, PMO Manager

Also in Attendance:

Cllr Carole Williams, Cabinet Member for Employment,
Human Resources and Equalities
Rotimi Ajilore, Head of Procurement
Rabiya Khatun, Governance Officer

APPOINTMENT OF CHAIR 2022/23

RESOLVED:

To note the confirmed appointment to the position of Chair - Councillor Robert Chapman for the Municipal Year 2022/23, as agreed by Full Council at its Annual Meeting on 25 May 2022.

There were no Chair's announcements.

1 APOLOGIES FOR ABSENCE

1.1 There were no apologies for absence.

1.2 Terms of Reference

RESOLVED:

To note the circulated Terms of Reference of the Cabinet Procurement & Insourcing Committee for the Municipal Year 2022/23.

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 There were none received.

6 UNRESTRICTED MINUTES OF THE PREVIOUS MEETING OF CABINET PROCUREMENT COMMITTEE HELD ON 11 APRIL 2022

RESOLVED:

That the unrestricted minutes of the Cabinet Procurement & Insourcing Committee held on 11 April 2022 were approved.

7 PROVISION OF SUPPORT SERVICE FOR DISABLED CHILDREN SERVICES

7.1 The Short Break Coordinator introduced the report seeking approval to award the provision of support services for the Disabled Children Service contract to 33 suppliers through a Framework Agreement for a period of no more than four years. The contract would expire in order to align with the current Dynamic Purchasing System for Short Breaks, which would enable the streamlining of the short breaks service into one contract.

7.2 Members welcomed and supported the proposals. However, it was also noted that it had been disappointing that the proposals for the Disabled Children's Service and Adults Services to commission Homecare Services collaboratively had not been feasible due to the complexity of the Adults Service provision.

7.3 The Short Break Coordinator emphasised that the Children's Service had a small cohort of approximately 350 children with a vast range of needs. Social workers from both the Disabled Children's and Adult Services teams worked closely together on transition plans to ensure a smooth transfer. Some services could potentially be insourced in the future but consideration needed to be given to value for money and long term viability, and other service provisions could be commissioned by a provider or move to direct payments. The current issue with direct payments was the cost element involved in setting it up but the Council had a four year plan to encourage the uptake of direct payments.

7.4 In terms of the key performance indicators (KPIs), the Council would annually review the provider's individual plan for each child and this would form part of the KPIs. The KPIs targets would be undertaken on a case by case basis and consideration would be given to how the service was improving the young person's quality of life.

RESOLVED:

To approve the award of the Provision of Support Services for Disabled Children Service contract to the 33 Suppliers listed in Exempt Appendix 1. The Framework Agreement will run for a period of three (3) years, with an option to extend for a period, or periods of a maximum of a further twelve months, with an estimated total value of £6,198,400.

REASONS FOR DECISION

The existing Framework Agreement for Integrated Homecare for Disabled Children and Young People commenced on 1st April and expired on 31st March 2019. A business case to extend the service for a period of 26 months was sought and approved to enable the redesign of the Disabled Children Service (DCS) provision. The Framework Agreement will now expire on 30th June 2022.

The purpose of the Disabled Children's Service redesign is to streamline the provisions offered to children and families. The procurement strategy to commission a new Framework Agreement for the Provision for Leisure Activities, Domiciliary Care & Overnight Services, which will align with the current Dynamic Purchasing System (DPS) for Short Breaks and expire simultaneously.

The support will be for children and young people with a disability under the age of 18.

It was initially agreed for Disabled Children's Service and Adults Services to commission Homecare Services collaboratively to achieve economies of scale, reduce duplication and manage resources effectively. However, having reviewed the DCS provision more critically and assessing the magnitude and complexity of the Adults Service provision in comparison to DCS, it was decided that DCS should commission its provision separately in order to ensure the needs of children are met. Within the model one lot was allocated to the Disabled Children's services and further subdivided into two (2) further lots to capture leisure activities and domiciliary care. There was no scope to include the overnight provision and it was decided that a separate procurement was required to capture this service.

Implementing the DCS procurement strategy allows the unit to focus on specific support for children whilst engaging providers that are more suited to delivering services that meet the ever changing and complex needs of children and young people.

Commissioning services specifically for the Disabled Children's Services would be beneficial for the following reasons:

- Providers would meet the specified criteria that will support children with disabilities.
- Eliminate ambiguity from the providers on the type of support required.
- Allow flexibility with care plans and packages of support
- Increase the number of providers directly available for children's services.

As part of our efforts to streamline DCS, the management of Overnight Short Breaks which was previously held by the Placement Management Unit (PMU) will now be managed by DCS as this service will form part of an ongoing package delivered to children and families.

The requests for overnight support have continued to increase year on year and due to the lack of Short Break overnight providers, children are currently waiting for support to commence.

As stated above, the new service will be complementary to the existing Short Break provision and will only be accessed by the children and young people who have the greatest need and a service will only be allocated following an assessment by a social worker and agreement by the Disabled Children's Resource Panel.

Children with a disability experience challenges in achieving their potential. Therefore, the aim of this new service is to improve the outcomes of these children by giving them access to services to enhance equality of opportunity and increase their involvement and inclusion in society and mainstream services. The provision will enable communities to benefit from the contribution that disabled children and their families can make by harnessing their talent and fostering tolerance, diversity and difference.

The services will give disabled children and young people an opportunity to meet new people and enjoy different experiences whilst also providing families with a break from their caring responsibilities.

The Children and Families Act 2014 and associated statutory guidance places a responsibility on the Authority to commission care and support based on taking full account of:

- The views, wishes and feelings of the child and his or her parent(s), or the young person.
- The importance of the child and his or her parent(s) or the young person participating as fully as possible in decisions.
- The importance of the child and his or her parent(s) or the young person being provided with the information and support necessary to enable participation in those decisions.
- The need to support the child and his or her parent, or the young person, in order to facilitate the development of the child or young person and to help him or her achieve the best possible educational and other outcomes.

At present there are 360 children and young people accessing the service through a combination of commissioned services and direct payments.

The support services are currently being provided by 5 organisations within the current framework and 20 organisations on a spot purchase basis for all aspects of the service.

The new Framework Agreement will enable Hackney to increase the number of providers delivering support to children and young people who have been allocated DCS service thereby increasing choice.

8 BRITANNIA PHASE 2B - SALES AGENT CONTRACT AWARD RECOMMENDATION

8.1 The Project Director introduced the report outlining the process followed to select a preferred bidder for the provision of Sales Agent services for LBH Britannia Phase 2b during the Strategy, Pre-Sales and Sales Phase of the project's delivery. The Committee noted that the difference between the framework and open tender service had been considered during the business case and it had been found that the timeline to procure in the framework had been more efficient as well having the appropriate expertise in relation to international sales. With regard to the 50% notional split for international and domestic units, this split had been determined for financial cost comparison purposes and the percentage of domestic units was expected to be higher in the sales strategy due to be submitted in the next few months.

RESOLVED:

1. To award the contract for Sales Agent services for Britannia Phase 2b to Bidder E by way of a call off from the Notting Hill Genesis Estate Agents' Framework in line with the fee set out in Exempt Appendix A - Tender Evaluation Detail, and

2. To enter into a call off contract and any other ancillary legal documentation necessary relating thereto with Bidder E 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

This report outlines the process which has been followed to select a preferred bidder for the provision of Sales Agent services for LBH Britannia Phase 2b during the Strategy, Pre-Sales and Sales Phase of the project's delivery.

The role of Sales Agent for private for sale homes of this scale and nature is a commodity service from the market, with a number of well known agents available in the market, many of whom have provided similar services to LBH on previous projects

As set out in the Business Case, the procurement for a Sales Agent was carried out using Lot 2 and Lot 3 suppliers on the Notting Hill Genesis Estate Agents' Framework. This accessed 10 suppliers who had already demonstrated the capabilities to carry out Sales Agent services for private sales.

This role will commence with a review and finalisation of the delivery phase Sales and Marketing Strategy, working with the Marketing and Branding Agent, and Development Manager to ensure a coordinated and appropriate response for the LBH Britannia Phase 2b project.

The engagement will then move into the Implementation Phase, in line with the agreed Implementation Plan and budget agreed during the Strategy Phase. This Implementation Phase will be split into the Pre-Sales Phase and the Sales Phase. A move to commence the Sales Phase of the project will 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 is currently programmed for January 2023.

The expedient instruction of the Sales Agent is key to ensure that this Strategy and Pre-Sales work is completed in order to enable a Sales Launch at the earliest opportunity during the construction phase - this is of particular importance given the requirement to de-risk the development by way of off plan sales. The precise nature and timing of this launch will be subject to the agreed Sales & Marketing Strategy which is the first deliverable of this appointment.

As part of the Quality bid (10% of the 60% weighting), 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 paragraph 7 to this report.

In line with industry practice, the fee for Sales Agent Services is predominantly based on a sales commission (percentage) rather than up front Fixed Price costs. 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. Commission rates were requested for both domestic and international sales, and assumptions clarified to ensure normalisation across each bidder.

As the final fee for the engagement will be subject to actual gross sales achieved, the award of contract is on the basis of any up front Fixed Fees tendered, an agreed Schedule of Rates, and a domestic and international sales commission percentage. An analysis of this by bidder is set out at Exempt Appendix A - Tender Evaluation Summary

9 ADULT AND COMMUNITY LEARNING FRAMEWORK 2022-26

9.1 The Commissioning and Performance Manager introduced the report seeking authority to award a framework agreement of approved adult learning training providers. The Cabinet Member for Employment, Skills and Human Resources added that this was a significant piece of work and that the changes being made to the service would deliver excellent outcomes for Hackney's residents.

9.2 The Committee noted that there were good local providers on the list and that the mixed economy model using both commission providers and in-house direct teaching service supported a significant number of local community based providers with specific knowledge of the market and communities which resulted in better performance in delivery of the contract. This mixed model was expected to deliver well in terms of performance and meeting Ofsted expectations as the service moved towards more insourcing. In line with the Council's inclusive economy strategy, the asset based approach enabled adult learning to be delivered from council owned assets such as libraries and community halls and reach local communities and learners within Hackney. The Council would be developing the model further to deliver more partnership adult learning courses from local Council owned assets and its employment hubs.

RESOLVED:

1. To approve the award of contracts to the 22 Suppliers listed in Exempt Appendix 1 for the supply of Adult and Community Learning provision under a two year (+1+1) framework agreement from 2022-2026. The estimated value of this is £500,000 in year one and following years.

2. To note that call-off from the framework agreement will be made on an annual basis with the allocation based on service, performance, location and available budget, and delegate award of these call-off contracts to the Strategic Director Inclusive Economy, Regeneration and New Homes.

REASONS FOR DECISION

The objective is to establish a Framework Agreement for assured community providers to deliver or host a range of Adult & Community Learning accredited and non-accredited courses for a 4 year period commencing September 2022 to July 2026. This includes Family Learning, ESOL, Maths, English, ICT and vocational courses. The newly contracted providers will be utilised to continue with the Council's commitment to deliver services to communities that are currently under represented.

The Adult Learning Service has an annual target of 2,000 learning places to be provided across an OFSTED inspected curriculum structured programme and the service is grant funded by the Greater London Authority (GLA) as part of the national government strategy for adult learning provision. This also links into Hackney Council strategies such as the Single Equalities Framework priorities 1 to 3, namely :supporting residents' access to sustainable employment, improving their qualifications and wellbeing. Adult education also reduces economic inequalities which is identified as a key barrier to community cohesion in Hackney Sustainable Community Strategy (2008-2018). Having a wide range of programmes generally enables the Adult Learning Services to promote the vision of Hackney a Place for Everyone Campaign. For example, ESOL empowers people from different backgrounds to integrate in society, Family Learning programmes promote parental engagement in learning and employability programmes contribute to breaking the cycle of isolation and create links into local employment especially for residents who are semi-skilled or on low income. The Adult Learning Service has a strong track record of contributing to these strategies including the Mayor of Hackney priorities and his manifesto commitment of delivering access to quality training

Following AEB devolution in 2019/20, the Skills for Londoners' Strategy was launched to increase the number and diversity of adult learners in London gaining the skills to participate in society and progress into further/higher level learning, training and employment. As such, many of the proposed changes in this Framework will be better delivered by engagement with contracted providers.

The report is being placed before CPIC because the anticipated annual value of the subcontracted ALS provision, across the range of approved providers on the framework, is in the region of £500,000 per annum. There is a potential spend of £2,000,000 over a four year period.

The establishment of a framework of approved providers will ensure that the range of learning programmes for the target learners prescribed by the GLA can be delivered.

10 COMMUNAL ELECTRICAL SUPPLY: CONTRACT AWARD

10.1 The Interim Head of Property and Asset Management introduced the report summarising the reasons for awarding a contract for communal electrical supply works to Hackney's housing stock. The contracts would be for an initial term of five years with the option to extend up to a further five years. Referring to KPI targets in paragraph 10 of the report he explained how the targets exceeding 100% impacted on the agreed contract period for a project.

RESOLVED:

1. To approve the Award of the following contract for Communal Electrical Supply to Contractor 1 in Appendix A (Exempt) for a term of 5 years with an option to extend the contract for up to a further 5 years

2. To approve the award of contract to the named Contractor at value of £20-30M for an initial term of 5 years and a further £20-30M if the 5 years extension provision is effected.

REASONS FOR DECISION

The proposed Communal Electrical contract is required to ensure that Hackney Council meets its statutory requirements as a landlord and ensures the safety of its residents. The contract will enable Hackney to replace or upgrade its communal electrical system where necessary. The contract will also enable the necessary testing of communal electrical systems within the Borough.

The contract will cover all housing typologies although it will not be required for individual street properties that do not have communal systems.

Careful consideration has been given to the appropriate length of the contract. In reaching the conclusion thought was given to ensuring that Hackney could build a beneficial long term relationship with the successful bidders and the opportunity to ensure value for money as well as contain future procurement costs. As a result, the contract is for an initial term of 5 years with an option to extend up to a further 5 years.

RESOLVED:

1. To approve the Award of the following contract for Communal Electrical Supply to Contractor 1 in Appendix A (Exempt) for a term of 5 years with an option to extend the contract for up to a further 5 years

2 To approve the award of contract to the named Contractor at value of £20-30M for an initial term of 5 years and a further £20-30M if the 5 years extension provision is effected.

REASONS FOR DECISION

The proposed Communal Electrical contract is required to ensure that Hackney Council meets its statutory requirements as a landlord and ensures the safety of its residents. The contract will enable Hackney to replace or upgrade its communal electrical system where necessary. The contract will also enable the necessary testing of communal electrical systems within the Borough.

The contract will cover all housing typologies although it will not be required for individual street properties that do not have communal systems.

Careful consideration has been given to the appropriate length of the contract. In reaching the conclusion thought was given to ensuring that Hackney could build a beneficial long term relationship with the successful bidders and the opportunity to ensure value for money as well as contain future procurement costs. As a result, the contract is for an initial term of 5 years with an option to extend up to a further 5 years.

11 ANY OTHER UNRESTRICTED BUSINESS THE CHAIR CONSIDERS TO BE URGENT

11.1 There was no urgent business to consider.

12 DATE OF FUTURE MEETINGS

12.1 The Committee noted the date of future meetings:

18 July 2022
5 September 2022
3 October 2022
7 November 2022
5 December 2022

13 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 14-17 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.

14 PROVISION OF SUPPORT SERVICE FOR DISABLED CHILDREN SERVICE - EXEMPT APPENDICES

14.1 The discussion and decision are set out in item 7.

15 BRITANNIA PHASE 2B - SALES AGENT CONTRACT AWARD RECOMMENDATION - EXEMPT APPENDICES

15.1 The discussion and decision are set out in item 8.

16 ADULT AND COMMUNITY LEARNING FRAMEWORK 2022-26 - EXEMPT APPENDIX

16.1 The discussion and decision are set out in item 9.

17 **COMMUNAL ELECTRICAL SUPPLY: CONTRACT AWARD - EXEMPT APPENDICES**

17.1 The discussion and decision are set out in item 10.

18 **ANY OTHER EXEMPT BUSINESS THE CHAIR CONSIDERS TO BE URGENT**

18.1 There was no urgent business to consider.

Duration of the meeting: 17.30 – 18.30 hours



CABINET PROCUREMENT & INSOURCING COMMITTEE Provision of Care at Limetree Court and St Peter's House Housing with Care Schemes - BUSINESS CASE BUSINESS CASE (INSOURCING OR OUTSOURCING DECISION) Key Decision No AHI S128	
CPIC MEETING DATE 03 October 2022	CLASSIFICATION: Open
WARD(S) AFFECTED All	
CABINET MEMBER Cllr Kennedy	
KEY DECISION Yes REASON Affects two or more wards Spending/or saving	
GROUP DIRECTOR Helen Woodland, Group Director for Adults, Health and Integration	

CONTRACT VALUE, <u>both</u> Inclusive of VAT and Exclusive of VAT (for the duration of the contract including extensions)	
CONTRACT DURATION (including extensions e.g. 2 yrs + 1 yr + 1 yr)	2 (+1+1) years

CABINET MEMBER'S INTRODUCTION

- 1.1. Cabinet Insourcing Procurement Committee (CPIC) is recommended to agree to the Adult Commissioning team's request to undertake a competitive procurement for the delivery of a care service at Limetree Court and St Peter's House for four years.
- 1.2. This interim service arrangement allows the continuity of care as well enabling the Mayoral commitment to promote independence in adult social care, by allowing individuals to maintain their own tenancies and deliver high quality services to those who need support.
- 1.3. In addition, this request also enables the Council to further explore the potential insourcing options for the delivery of care at both schemes as part of the wider Housing with Care review which is currently in progress.
- 1.4. Limetree Court and St Peter's House are two purpose built schemes of a high specification, demonstrating the Council's commitment to Hackney residents having options to plan ahead for their future care needs in high quality surroundings, that will be their homes for as long as they need them.

2. GROUP DIRECTOR'S INTRODUCTION

- 2.1. This report seeks approval of the Business Case and progression to the tender stage for the provision of care at the Limetree Court and St Peter's House Extra Care schemes in the London Borough of Hackney.
- 2.2. The contract is due to commence in Spring 2023 and will be two years in length with the option to extend for a further two years (one plus one options).
- 2.3. The procurement process demonstrates the Council's commitment to supporting resident's independence for as long as possible while also achieving best value. It is also anticipated that care and support services at Limetree Court and St Peter's House will mean that service users may avoid the need to be placed in more expensive residential and nursing care provision.

3. RECOMMENDATION(S)

- 3.1 The Cabinet, Procurement and Insourcing Committee is recommended to agree to a competitive procurement for the delivery of a care and support service at Limetree Court and St Peter's House for up to 4 years in total (2+1+1 years), with a view to bringing the service in house at the end of the contract.
- 3.2 The Cabinet, Procurement and Insourcing Committee is recommended to agree to the extension of the existing contracted provision with the

incumbent provider, for a period of up to 9 months, in order to ensure service continuity during the final stages of the procurement process and subsequent implementation phase.

4. RELATED DECISIONS

- 4.1. The first business case was agreed by the Director of Adult Services, Childrens, Adults, and Community Health Directorate, on 3rd May 2019.
- 4.2. A procurement process and subsequent Contract Award report was ratified by CPIC on 13th January 2020. However and unfortunately, the Council could not proceed with the award of contract.
- 4.3. Subsequently, a Single Tender Action waiving of standing orders was agreed and signed off in February 2021 as an interim arrangement. This enabled service continuity at the onset of the outbreak of the Covid-19 pandemic.

5. OPTIONS APPRAISAL AND BUSINESS CASE (REASONS FOR DECISION)

5.1. Background

- 5.2. The Council currently commissions planned and unplanned care at Limetree Court (LTC) and St Peter's House (SPH) which are purpose built to a high specification and are currently the most recently built accommodation within Adult Social Care's Housing with Care (HwC) portfolio. The schemes are each owned by a Registered Social Landlord (RSL). The partnership arrangement with the RSLs demonstrates the Council's commitment to Hackney residents to have options to plan ahead for their future care needs in high quality surroundings that will be their home for as long as they are able to reside the re.
- 5.3. In 2012/13, at the request of the Council, Family Mosaic (now part of/known as Peabody) was asked to apply for a capital grant of £4m from the former Homes and Communities Agency to redevelop two of their sites to create extra care services. The Council then agreed to fund a further £300k capital directly to ensure that one of the schemes was designed specifically for residents with dementia and mental health issues. The capital funding was agreed by the Council on the understanding that these services would assist in delaying or preventing the need for residential care and to avoid costs to health and social care services. Hanover (now part of/known as Anchor Housing) had also developed an extra care purpose built building which was offered as one of the schemes. Both schemes are designed using the HAPPI standards (housing for ageing population). SPH in particular, is designed for residents who are living with dementia -

supporting one of the Mayoral priorities to ensure Hackney is a dementia-friendly borough.

- 5.4. Whilst this service was badged as Extra Care, the term Housing with Care is also used and applied interchangeably. Adult Social Care (ASC) was then awarded 100% nomination rights for both schemes. The pathway into this service would be via the HwC referral route, with the tenancy agreements managed by the respective RSL.
- 5.5. It was originally agreed that the care and support service at both schemes would be delivered by the in-house Provider Services staff, however a lack of available staff (at that time) resulted in the Council commissioning an external provider from the homecare framework to deliver planned and unplanned care at both schemes.
- 5.6. In order to ensure contract compliance in accordance with Contract Standing Orders and Procurement Regulations 2015, it was no longer possible to further extend the arrangement with Provider A for this service. Subsequently, in 2019, it was agreed to seek a provider through an open tender procurement process, with a view to re-assess and consider bringing the service in-house at the end of the new contract. Following the procurement exercise, the contract could not be awarded due to a discrepancy in the tender submission. As a result, STAs (Single Tender Action) were awarded to Provider A to continue with the service provision.
- 5.7. In addition, the Covid-19 pandemic and the necessity to ensure the continuity of wider and urgent social care services severely impacted the ability to progress with a care management review of care needs and any recommissioning as teams were diverted to support care homes, those who were shielding and manage infection control. This situation was further exacerbated by the cyber attack which severely impacted Council IT systems and client records. In order to ensure the stability of provision, continuity of staff and care for residents at a time of great change and uncertainty, a ratified extension of the current arrangement with Provider A was approved by CPIC in 2021 with the contract now ending 31st March 2023.
- 5.8. Historically, a substantial number of voids have occurred at both schemes. Subsequently, the RSLs widened the nomination rights in order to reduce the level of voids. Whilst the Council retained 100% nomination rights for both schemes, ASC were given an adjusted provision of 19/43 flats at LTC and 13/39 flats at SPH. Housing Needs were awarded the nomination

rights to the other flats respectively. This provision is still in place currently. However, widening the nomination rights has subsequently led to a mixed tenure of residents at both schemes, some with Care Act (2014) eligible needs and a cohort who, whilst meeting the minimum age threshold of 55, have no identified care needs.

- 5.9. As part of the initial HwC review in 2020, a series of project 'quick wins' was agreed by the Directorate's SMT. One of the considered options was to remove the Provided Services staff from the Non-24hr schemes and move to a sheltered housing/retirement scheme model with care being delivered by the respective incumbent locality homecare framework providers. This would have enabled the in-house Provided Services team to restructure and redeploy their workforce to deliver the care at both LTC and SPH. The reconstitution of the in-house team may have realised a degree of savings against the current costs at SPH/LTC or may have seen a wider HwC savings contribution. To date, this option could not be considered any further as it was interdependent upon changes to the existing in-house provision and on-going HwC review which was delayed due to the Covid-19 pandemic. The wider HwC service review considers these two schemes in the overall HwC portfolio and will determine whether the care will continue to be delivered by a mixed economy approach or will become fully insourced or externalised.
- 5.10. The procurement for the provision of care at LTC and SPH will ensure the continuity of service at both schemes, on an interim basis, whilst the HwC service review is completed and the recommendations for the future design of the service is finalised.
- 5.11. This report seeks to obtain the approval of CPIC to reprocure the delivery of planned and unplanned care at both Limetree Court and St Peter's House Housing with Care schemes for the duration of two years with the option to extend for a further one year.
- 5.12. The Model**
- 5.13. HwC is designed with the needs of frailer older people in mind and with varying levels of 24 hour care and support available on site. People who live in HwC have their own self contained homes, their own front doors and a legal right to occupy the property. This type of provision means that people can retain their independence for longer, delaying and often completely avoiding the need for residential care. This model promotes the Council's vision to promote independence and ensure that people are valued members of their community. This model also avoids higher cost placements in residential care.
- 5.14. The current cost and allocation of planned and unplanned care hours (as at July 2022) is as follows:

Current Weekly Hours		Current Annual Cost	
Planned	508	Planned	£481,271
Unplanned	336	Unplanned	£339,852
Total Hours	844	Total Annual Cost	£821,123

- 5.15. Unplanned care at each scheme is currently delivered over 24 hours covered by 1x staff (daytime across two shifts) and 1x waking night staff. A Team Leader is also present who coordinates the delivery of planned and unplanned care at both schemes.
- 5.16. 51% and 31% of residents at LTC and SPH respectively are in receipt of Care Act assessed care. These residents have a wide spectrum of needs. The number of residents in receipt of care delivered by Provider A amounts to 42% and 23% respectively. To date, 7 learning disability client residents across both schemes receive planned care delivered by other external homecare agencies. This was to ensure that their continuity of care arrangement ensued when they moved into the schemes.
- 5.17. The majority of care packages across the schemes require 3-4 planned care calls per day. The weekly average package of care is 13.8 hours. The majority of POCs are single handed care. However, currently 3 residents and 2 residents at LTC and SPH respectively require double handed care.
- 5.18. The current options that have been considered are as follows:
1. Insourced provision of care
 2. Commissioned 24 hour scheme
 3. Commissioned Non-24 hour scheme
 4. Commissioned rebranded sheltered scheme
- 5.19. Whilst the HwC review and redesign is ongoing, AH&I SMT have agreed for this service to remain as 24hour HwC provision of care. This decision has also been endorsed by each scheme's respective Social Landlord. This will ensure that the residents of each scheme will continue to obtain the care and support to assist them to live as independently as possible within their community. This will continue to be reviewed.
- 5.20. As mentioned within the previous Business Case (2019) and Contract Award (2020) reports, the delivery of care by the Council's inhouse care team was considered as part of the mid to long term provision of care and support. The capacity to insource is currently interdependent upon the completion of the Council's HwC review and redesign. This project has been delayed due to the impacts and legacy effects of the Covid-19 pandemic and cyber attack. Until the review and the outcome of the CQC inspection is favourable the continuation of an commissioned provision of

care and support is considered to be the best option in order to ensure and maintain service stability and value for money.

5.21. BENEFITS REALISATION / LESSONS LEARNED

- 5.22. Whilst the contract award in 2020 could not proceed, the model for the delivery of care has remained. Following a review of the planned and unplanned care needs of the residents at both schemes, efficiencies were sought from Provider A in the staffing levels required to deliver the unplanned care element. The new service specification and tender method statements will seek and enable potential providers to submit and deliver the most efficient staffing configuration to meet both the levels of planned and unplanned care across both schemes safely.

5.23 Strategic Context:

- 5.24. The proposals support the Best Value duty of the Council and several of the Mayor's Priorities including tackling inequality, delivering high quality services and connecting communities. These are further outlined below:

The Mayor's Priorities

Mayor's Priority	How this proposal will support the priority
Tackling inequality	<p>These proposals ensure that the services being commissioned are available to those most at need, promoting equal access to services, and targeting the most vulnerable. They help close the service gap for those individuals who need longer term support, for example those with enduring mental illnesses and have been assessed using the Council's equality impact assessment to ensure they meet the Equality Act 2010 requirements.</p> <p>In addition, Providers will be encouraged to actively promote and recruit staff locally, thus providing employment opportunities for local people.</p>
An ambitious and well-run Council that delivers high quality services,	Commissioners believe that the proposals are ambitious and demonstrate the highest quality of service, with a well-defined specification that will hold providers to account.
Prioritising quality of life and the environment	The premises on offer are of a very high quality standard, offering individual and double rooms in new buildings. This is some of the best quality accommodation in Hackney.
Connecting with Hackney's communities	The specification will ensure that service users are helped to connect to their local communities, utilising local support groups and services to reduce isolation and promote inclusion. This will include the provision of wellbeing activities and housing-related support from the respective landlords.
Care Act 2014	How it Supports The Requirements
	By supporting the local Homecare market and providing choice for the residents of Hackney who are identified as requiring homecare.

- 5.25. Social Value will be sought from bidders as part of the tendering process. This will require providers to define their offer or social value and in particular, the environmental standards and benefits that their operation will

bring to the borough, in line with the priorities of Hackney's Sustainable Procurement Strategy.

- 5.25.1 The Council has a statutory duty to provide services for older people including nursing, home, residential and day care.
- 5.25.2 Local Authorities, under the Care Act 2014, have a duty to promote wellbeing. The Act highlights the importance of preventing or delaying the development of needs for care and support and the importance of reducing needs that already exist. This service is designed to reduce the need for individuals to go into residential or nursing care homes wherever possible and to promote independence and self care.
- 5.25.3 The previous re-procurement process (2019/20) demonstrated the market's ability to deliver this service in a cost efficient and effective manner in accordance with the service specification, such as an agile workforce delivering the planned and unplanned care elements as well as the potential to pool the planned and unplanned care hours.

5.26. Preferred Option:

- 5.26.1 The preferred option is Option 2. It is envisaged that the market can provide an efficient and cost effective offer in accordance with the service specification, both meeting the Council's business needs and providing measurable benefits.
- 5.26.2 The proposed contract model and duration provides the appetite to enable sufficient financial viability for prospective bidding providers and thus achieve greater value for money, whilst also allowing flexibility to the Council should the recommendation to insource the provision of care be taken upon completion of the HwC review and redesign.

5.27 ALTERNATIVE OPTIONS (CONSIDERED AND REJECTED)

- 5.27.1 As mentioned in 5.10.10 above, the current options that have been considered are as follows:
 - 1. Insourced provision of care
 - 2. Commissioned 24 hour scheme
 - 3. Commissioned Non-24 hour scheme
 - 4. Commissioned rebranded sheltered scheme
- 5.27.2 Options 1 (Insourced Provision of care), 3 (Non-24 hour scheme) and 4 (rebranded as a sheltered scheme) have been rejected for consideration as outlined below.

5.27.3 Considered Options

Option	Detail	Pros	Cons
1. Insourcing: Provided Services to deliver the care and support at LTC/SPH on a 24 hour scheme basis.	<p>Planned care with 24 hour onsite staffing presence (to cover elements of unplanned care) to be delivered by Provided Services. Based on the revised existing model.</p> <p>The schemes could also be rebadged as Non-24hr schemes.</p> <p>This would be dependent upon the finalisation of the HwC review and Provided Services function.</p> <p>The completed Insourcing Toolkit provides the full details of this option.</p>	<p>Fulfils Mayoral objectives for insourcing of services;</p> <p>Brings LTC/SPH in line with other HwC schemes, i.e.in-house delivery of care.</p>	<p>Est. annual cost - 24hr scheme - £1.2m* higher than market.</p> <p>Negative annual saving: £ to be reviewed further.</p> <p>Provider Service currently do not have the capacity to undertake the delivery of care at both schemes.</p> <p>*Calculation based average budget costs for Rose Court and Penn St 24hr HwC schemes which are comparable in size and provision to LTC/SPH.</p>
2.Commissioned Service: 24 hour scheme. Portfolio of hours (planned + flex for element of unplanned care)	<p>Competitive tender for the Housing with Care service to be delivered at LTC and SPH. Care based on a portfolio of hours to cover planned care element with onsite presence for small element of unplanned care.</p> <p>Initial proposed contract duration: 2 year with 1yr +1yr extension options to either enable In-house migration to deliver the service or ensure continuity of service whilst the longer term options are finalised (completion of the HwC review and redesign) i.e. whether both schemes remain within the HwC portfolio or are repurposed (subject to RSL agreement) or relinquished.</p>	<p>Supports market development</p> <p>Vfm through tender process</p> <p>Enables continuity of care and service provision in model.</p>	
3. Rebadge as Non-24 hour schemes	<p>Planned care and unplanned daytime care hours delivered via an Insourced/commissioned service at LTC and SPH.</p> <p>If care is outsourced, initial proposed contract duration: 2 year with 1yr +1yr extension options to either enable In-house migration to deliver the service or ensure continuity of service whilst the longer term options are finalised (completion of the HwC review and redesign) i.e. whether both schemes remain within the HwC portfolio or are repurposed (subject to RSL agreement) or relinquished.</p> <p>This option is also dependent upon the agreement of the respective RSLs.</p>	<p>Est. total annual cost - c.£707k -</p> <p>Annual saving: (Insourced) → c.£227k</p>	<p>Negative effect of the removal of unplanned care during out of hours</p>

4.Rebadge the Schemes - Sheltered /Retirement Housing: Planned Care hours only	Planned care hours delivered via an Insourced/commissioned service at LTC and SPH. If care is outsourced, initial proposed contract duration: 2 year with 1yr +1yr extension options to either enable In-house migration to deliver the service or ensure continuity of service whilst the longer term options are finalised (completion of the HwC review and redesign) i.e. whether both schemes remain within the HwC portfolio or are repurposed (subject to RSL agreement) or relinquished. This option is also dependent upon the agreement of the respective RSLs.	Est. Annual Cost - c.£469k* Annual saving: <i>Insourced</i> →	Negative effect of the removal of unplanned care and thus not meeting the needs of a large cohort of residents at both schemes.
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5.28 Success Criteria/Key Drivers/Indicators:

5.28.1 Outcomes Framework for 2020/21 (ASCOF), as follows:

Domain 1 Enhancing quality of life for people with support needs in particular.	
1A	Social care-related quality of life score
1B	The proportion of people who use services who have control over their daily life
1(H)	Proportion of adults in contact with secondary mental health services living independently with or without support.
1I(1)	The proportion of people who use services who reported that they had as much social contact as they would like.
1J	Adjusted Social care-related quality of life – impact of Adult Social Care services
Domain 2 Delaying and reducing the need for care and support.	
	When people develop care needs, the support they receive takes place in the most appropriate setting and enables them to regain their independence.
2B(1)	The proportion of older people (aged 65ov) who were still at home 91 days after discharge from hospital into reablement/rehabilitation services.
2B(2)	The proportion of older people (aged 65ov) who received reablement/rehabilitation services after discharge from hospital.
Domain 3 Ensuring that people have a positive experience of care and support.	
3(A)	Overall satisfaction of people who use services with their care and support.
3D(1)	The proportion of people who use services who find it easy to find information about support
Domain 4 Safeguarding.	
4A	Proportion of people using services who feel safe.

4B	The proportion of people who use services who say that those services have made them feel safe and secure
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5.29 Whole Life Costing/Budgets:

- 5.29.1 Currently 19/43 flats at Limetree Court have tenants in receipt of care. There is a potential for this to increase should any of the remaining 24 residents currently not in receipt of care develop care needs (following a care act needs assessment). The occurrences of this has been low to date, however, it is worth noting that this may increase as the latter cohort ages.
- 5.29.2 At this present time, 13 flats out of 49 available at St Peter's House are allocated to the Council's Adult Social Care HwC portfolio. As described above, there is potential for residents currently not in receipt of care to develop care needs as they age. As St Peter's House is a dementia specific scheme, the transition into the HwC cohort will need to be determined on a case by case basis so the likelihood of any rapid increases requiring planned care through this pathway will be lower than at Limetree Court. This continues to be closely monitored. The provider will be made aware of any potential increases within the tender documents and part of their response will require a clear process to facilitate any required increases in the demand of planned and unplanned care should they arise.
- 5.29.3 An extension for 8 months is then estimated at 8/12 of £821,123 = £547,415

5.30 Policy Context:

- 5.31 The proposals support the Best Value duty of the Council. The duty of Best Value makes clear that councils should consider overall value including social value when considering service provision; this would be achieved through the tender process.
- 5.32 Under the Care Act (2014) the Council has a statutory duty to provide the services described in this business case and set out in detail in the service specification.
- 5.33 The service also links to City and Hackney Clinical Commissioning Group's work to achieve the best possible health outcomes for residents to ensure:
- People live longer, healthier, happier lives
 - People receive high quality, safe and accessible care
 - The services are responsive and comprehensive, integrated and innovative, and delivered in a thriving and financially viable local health economy
 - Services are procured in a fair and ethical manner
 - Effective and sustainable use of the resources available.

5.34 Liberty Protection Safeguards (LBS) formerly Deprivation of Liberty (DOLs) under The Mental Capacity Act (2005) may apply to some of the service users.

5.35 The proposed care and support services reflect the following Mayoral priorities and Care Act duties:

- Tackling inequality
- Protecting and promoting the well-being of the borough and its citizens
- Connecting with Hackney's communities

5.35.1 Local Authorities, under the Care Act 2014, have a duty to promote wellbeing. The Act highlights the importance of preventing or delaying the development of needs for care and support and the importance of reducing needs that already exist. This service is designed to reduce the need for individuals to go into residential or Nursing Care homes and promote maintaining their levels of independence and self care as much as possible.

5.36 Consultation/Stakeholders:

5.36.1 Whilst this reprocurement is focussed on an interim continuity of the delivery of care, there are minor opportunities to refine the service to obtain best non cashable value for the recipients of the service. A small number of residents who are in receipt of care will be invited to participate within the procurement process. This invitation will be extended to family members and carers who may wish to do this on behalf of their relatives using the service.

5.36.2 All existing stakeholders are currently involved in this re-procurement project. We have conducted a survey with the residents to consider what their needs are in terms of social engagement which we will share with the bidders. We have also been talking to the landlords about the review of provision here, and the planned tender.

5.36.3 A market engagement event will take place in early autumn to promote this opportunity to potential providers and further test assumptions.

5.37 Risk Assessment/Management:

5.37.1 The risk rating of the Risk Assessment Tool [RAT] completed in July 2022 was High.

Risk	Likelihood	Impact	Overall	Action to avoid or mitigate risk
	L – Low; M – Medium; H - High			
Timescales- The timescale for this procurement is very tight with little room for extensions or	M	H	H	This project is being managed by the Commissioning team. It is being monitored by the Head of Service via fortnightly project meetings.

movement on time scales.				
Submitted contract costs exceeds expectation	L	M	M	Due to market buoyancy, there is a reasonable expectation that submitted pricing will be competitive with LLW and the ethical care charter being minimum requirements.
Low number of tenders received	L	M	L	Recent market testing indicates that there are a number of existing providers that would tender for this contract. The contract length ensures that this is a commercially viable contract.
Reputation to Council (Service Delivery)	L	L	L	Fundamentally, there is no change to the existing service model.

5.38 **Insurance:** Advice from Insurance Services has been sought and the following recommended levels of insurance will be included in the tender documentation:

- £2m Professional Indemnity insurance, for each and every claim
- £5m Public Liability insurance, for each and every claim (to include all healthcare activities undertaken as part of the provided service)
- Employer's Liability insurance (as required by law)

We will continue to work with the Insurance Services team to manage the risks relevant to this contract.

5.39 **Market Testing (Lessons Learnt/Benchmarking):**

5.39.1 Previous market testing, benchmarking and procurements has suggested that the market is dominated by homecare providers. Regular engagement by the Commissioning division currently takes place with the incumbent Homecare providers via monitoring visits and a bi-monthly forum.

5.39.2 As indicated from the previous reprocurement in 2020, feedback from the market suggests that this is an attractive contract as it has a guarantee of regular hours for staff, requires no travel between jobs and can offer the opportunity for flexible working, including night shifts.

5.39.3 Other messages and themes from providers have included the fact that longer contracts offer companies assurances, making them more willing to invest in staff training, building better links to communities and offering more sustainability.

5.39.4 We are carrying out soft market testing which will be open until 19/9/22. The result to date indicates that 38 providers have viewed the advert, 9 of which intend on replying, however we will not be able to see the responses until the deadline has passed.

5.40. **Savings:** Although no direct savings have been attributed to this contract it is anticipated that care support services at Limetree and St Peter's will

reduce the current spend in Adult Social Care, as the extra care services will mean that service users will avoid the need to be placed in more expensive residential care provision. Service users are also eligible for housing benefit in the two schemes, whereas in residential care the Council would be liable for the accommodation costs. Throughout the duration of this contract, the number of residential placements will be reviewed in order to determine the positive impacts of the Housing with Care provision.

- 5.41 Over the last two years we have negotiated efficiencies with the current provider that has saved c.150K. We anticipate that tendering this contract out and promoting increased flexibility of the planned and unplanned hours should achieve further efficiencies from bidders who can more fully integrate the provision.

6. SUSTAINABILITY ISSUES

6.1. Procuring Green

- 6.1.1 The Procurement Impact Assessment identified a small number of environmental impacts, around waste management and care worker travel. As part of the tender requirements, prospective providers will need to outline their plans to recruit local staff wherever possible in order to reduce the impact travelling long distances can have. Social Value and Sustainability will have a weighted score of 5% of the total Quality method statement scoring criteria.

- 6.1.2 The service specification will also require prospective providers to collaborate with the two respective scheme landlords in the development and implementation of environmental initiatives including guidance and support for residents on recycling, as well as scheme-wide energy efficiency advice programmes, for example, keeping warm, maximising income and reducing living costs, in partnership with other stakeholders which will benefit the residents.

6.2. Procuring for a Better Society

- 6.2.1 The Procurement Impact Assessment highlighted the positive effect that this contract may have on the local economy. The market, via previous engagement events and tendering exercises, have maintained that longer contracts can contribute towards higher levels of staff retention, thus reducing staff turnover and helping to retain a motivated, well-trained and qualified staffing cohort.

- 6.2.2 As stated above, prospective providers will be asked to demonstrate Social Value as part of the procurement criteria, including the recruitment of local residents. Delivery of social value will be managed through contract management procedures. The tender method statement questions will seek the commitment from prospective providers to ensure that they outline a clear programme for the recruitment of local people to reduce travel and support local communities, provide employment opportunities that are

visible and accessible for people who have been long-term unemployed, as well as opportunities for younger and older employees. In addition, the interested providers will also need to demonstrate internal promotion career pathways to provide lifelong skills, qualifications and employability, as well as encourage the development of the local care workforce as an attractive career for local residents. All bidders will need to ensure that their staff on this contract are paid the London Living Wage as a minimum.

6.3. Procuring Fair Delivery

6.3.1 A full Equalities Impact Assessment has been completed for this service as linked within this report. No negative issues were identified. Potential positive effects for people with protected characteristics would be managed through the new contract to ensure policies and procedures are upheld and monitored across the service. This will include the prospective provider's recruitment and staff policies. The successful provider will need to ensure that they are a Dementia Friendly organisation and will need to demonstrate their abilities to provide specialist support to residents with dementia within the tender method statements.

6.3.2 In addition, the service specification outlines prospective providers confirmed ensure the following:

- The organisation actively seeks to work with voluntary and community sector organisations and partners within Hackney, which helps its staff to support service users and carers through appropriate signposting and direct support to benefit from resources in the community.
- As part of health action plans, prospective providers will support service users at each scheme to eat healthily, exercise, attend primary care appointments and access wider support for health and wellbeing (e.g. smoking cessation). Input from specialists such as dieticians will be incorporated into day-to-day work as well as encouragement in the uptake of annual health checks.

7. PROPOSED PROCUREMENT ARRANGEMENTS

7.1. Procurement Route and EU Implications:

7.1.1 This will be a two stage procurement and the major milestones are outlined below. There will be specific criteria that bidders will need to meet to ensure that they are eligible to deliver a high quality service.

7.1.2 The procurement will be managed through the Council's eProcurement system, and any suppliers that have been invited to, or have responded to the Council's soft market testing exercise, will be encouraged to bid.

7.1.3 The process will follow the regulations as detailed in the 2015 Public Contract Regulations.

7.2. Resources, Project Management and Key Milestones:

7.2.1 The procurement will be overseen by the Senior Commissioner within the Adults Social Care Commissioning Team, as well as the Head of Adult's Commissioning. The project has had an inclusive board to ensure that the service specification meets the considerations and needs of local residents who would utilise this service.

7.2.2 The tender panel will be supported by the Adults Social Care Procurement team and will be comprised of members from the following:

- AH&I Commissioning
- Adult Social Care
- Anchor
- Peabody
- Co-production group

7.2.3 The key milestones are as follows:

Key Milestones	
Business Case Report to CPIC:	03 Oct 2022
Find a Tender Service Advert Placed:	04 Nov 2022
Closing date for SQ:	End Nov 2022
SQ Evaluation:	Dec 2022
Issue ITT:	Jan 2023
Tender Returns:	Feb 2023
Tender Evaluation:	March 23
Contract Award Report to CPIC:	April/May 23
Mobilisation Period:	May - Oct 23
Start on site / Contract Commencement:	Oct-Dec 23

7.3. **Contract Documents: Anticipated contract type:**

The standard Adults Social Care Terms and Conditions will be used for this contract, with input from the Council's Legal team. These include the standard GDPR and safeguarding clauses. A specification and KPIs will set out service levels and expectations. Due to the nature of the care provided and the size of the contract, we do not anticipate subcontracting arrangements.

7.4. **Contract Management:** The roles and responsibilities are set out below:

- The contract will be managed by the Strategic Commissioner for Older People and Long Term Care, which sits within the Adults, Health and Integration Commissioning Team.
- Contract performance meetings will be held at least once per quarter, with more frequent meetings in the first few months. The Adults, Health and Integration Commissioning Team has systems for performance

monitoring, data collation and reporting. This will all be set-up as standard for this contract. This will be led by Quality Assurance staff within the Commissioning Team.

7.5. Key Performance Indicators:

- 7.5.1 The KPIs will be monitored quarterly. KPIs for social value will be developed around the bidders' response to social value. This will take place during mobilisation and will be monitored.

8. COMMENTS OF THE GROUP DIRECTOR FINANCE AND CORPORATE RESOURCES

- 8.1. The recommendation of this report is to approve the business case and progress to tender for the provision of care at the Limetree Court and St Peter's House Extra Care schemes for up to 4 years (2 years + optional 1+1 extension) commencing in spring 2023. It also requests approval to extend the existing contract to spring 2023. Extension of the existing contract and tender of the future service would ensure continuity of service for existing residents in these schemes, helping to delay or prevent people escalating to require higher levels of care and support.
- 8.2. The contract value is built from two parts: a planned care element where care packages are built around individuals' scheduled daily needs (and so a variable element) and an unplanned care element where permanent on-site staff respond to care calls (at a fixed annual cost). The unplanned care costs are £340k per year and the estimate within this report of planned care costs for 22/23 is £468k resulting in an annual estimated cost for 22/23 of £808k.
- 8.3. The planned care element of the contract will continue to be funded from the existing Home Care budget within Adult Services. The unplanned care element of the contract will be funded by one-off resources within Adult Services for the extension of the existing contract.
- 8.4. The tender of the contract will need to consider how both elements of the contract can be managed within the existing resources of Adult Services. Any new contract would need to consider bids ensuring staff remain paid at a minimum of London Living Wage each year and allow for alternative staffing models to ensure value for money whilst operating at safe levels. The new contract will require active management by the service and careful monitoring to ensure the right level of care is delivered in a sustainable manner.

9. VAT Implications on Land & Property Transactions

- 9.1 This section is not applicable for this procurement exercise.

10. COMMENTS OF THE DIRECTOR, LEGAL & GOVERNANCE SERVICES

- 10.1 Paragraph 2.7.6 of Contract Standing Orders states that all procurements with a risk assessment of “High Risk” will be overseen by the Cabinet Procurement and Insourcing Committee and therefore this Business Case Report is being presented to Cabinet Procurement and Insourcing Committee for approval
- 10.2 The services to be procured in this Report are classified as Social and other Specific Services under Schedule 3 of the Public Contracts Regulations 2015 and are of an estimated value above the threshold of £663,540 (including VAT) for such services. Therefore it will be necessary to publish a Find a Tender notice in respect of the procurement of the services. However as these are Schedule 3 (light touch) services the Council will then be subject to a smaller number of procedural rules in regard to how it procures such services. It will, however, be important to ensure that it complies with the obligations to treat economic operators equally and without discrimination and act in a transparent and proportionate manner in accordance with Regulation 18 of the Public Contracts Regulations 2015.
- 10.3 As detailed in the Report, it is intended that the Contract shall be procured in accordance with the Restricted procedure in line with Regulation 28 of the Regulations. Officers should also ensure full compliance with the requirements of Contract Standing Orders including seeking approval to award the Contract from the Cabinet Procurement & Insourcing Committee.

11. COMMENTS OF THE PROCUREMENT CATEGORY LEAD

- 11.1. The estimated value of the proposed service is above the relevant UK public procurement threshold of £663,540 (Social and Other Specific Services “light touch” regime) and must be awarded in accordance with the relevant procedures set out in the Public Contracts Regulations 2015. The Council’s Contract Standing Order 2.5.2 requires that the Business Case and Contract Award for a High risk procurement be approved by Cabinet Procurement and Insourcing Committee.
- 11.2. The recommendation to delay insourcing is noted and procurement of a contract via an competitive tendering process is confirmed as an appropriate and compliant route.
- 11.3. The timeline for the procurement process is reasonable to ensure contract commencement by November 2023 at the latest. The reasons for the additional 9 month extension to support mobilisation are supported as set out in the report.

APPENDICES

None

EXEMPT

N/A

BACKGROUND PAPERS

In accordance with The Local Authorities (Executive Arrangements) (Meetings and Access to Information) England Regulations 2012 publication of Background Papers used in the preparation of reports is required

None

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0-25 Recommissioning Programme - City & Hackney Enhanced Health Visiting Service BUSINESS CASE Key Decision No CE S123	
CABINET PROCUREMENT AND INSOURCING COMMITTEE MEETING DATE (2021/22): 3 October 2022	CLASSIFICATION: Open
WARD(S) AFFECTED All wards within Hackney and the City of London	
CABINET MEMBER Councillor Chris Kennedy, Cabinet Member for Health, Adult Social Care, Voluntary Sector and Leisure Councillor Bramble, Deputy Mayor and Cabinet Member for Education, Young People and Children's Social Care Councillor Woodley, Cabinet Member for Families, Parks and Leisure	
KEY DECISION Yes REASON Affects two or more wards	
GROUP DIRECTOR Helen Woodland, Group Director, Adults, Health & Integration Jacqui Burke, Group Director, Children & Education	

1. CABINET MEMBERS' INTRODUCTION

- 1.1. The Healthy Child Programme (HCP) is a universal programme available to all children and aims to ensure that every child gets a good start for a solid foundation for a healthy life.
- 1.2. Local Authorities have a statutory responsibility under the Health and Social Care Act 2012 for improving the health of their local population. As commissioners they hold a number of statutory duties including commissioning public health services for under fives from October 2015, including health visiting and family nurse partnership schemes for teenage mothers, however they also have flexibility to decide how these services are provided.
- 1.3. This business case seeks to secure support from the Cabinet Procurement and Insourcing Committee to procure an Enhanced Health Visiting Service in line with the revised 2021 Healthy Child Programme guidance. The new service model offers the flexibility of service interventions at five different levels based on the needs of families. It offers a home visiting element, and has broadened the criteria for vulnerable families with complex needs, thereby ensuring a wider reach and making it even more inclusive.
- 1.4. This Enhanced Health Visiting service is based on a review of different Health Visiting delivery models across the UK, conducted by the Public Health team. It also embeds learnings from the current delivery of the Health Visiting, Family Nurse Partnership service, Healthy Early Years London covering children in the age group of 0-5 years and their families, and a Community Based Peer Mentoring Support for Vulnerable Pregnant Women and New Mothers programme in addition to findings from the 2022 Health Needs Assessment for Children and Young People of the City and Hackney.
- 1.5. This business case also requests approval to extend the contract for the current Young People's Clinical Health and Wellbeing Service (CHYPS plus) for an additional year. This will ensure that it is aligned with the procurement of public health services for children in the school-going age.

2. GROUP DIRECTOR'S INTRODUCTION

- 2.1. This business case seeks approval from the City and Hackney Cabinet Procurement and Insourcing Committee to procure an Enhanced Health Visiting Service which will encompass an approach that is 'Universal in Reach – Personalised in Response' and has been modernised in line with the 2021 Healthy Child Programme guidance.
- 2.2. This Enhanced Health Visiting service is a needs-led model, which provides more tailored and evidence-based interventions at five different levels. The model provides flexibility and allows families to progress between the different service levels according to their needs.

Level 5 is a new intensive home visiting service (replacing the current Family Nurse Partnership service) which is open to a greater number of vulnerable families with complex needs, including those who have had previous children removed, died, or not living with them.

- 2.3. The Healthy Child Programme (HCP) is a model which offers every family a programme of screening tests, development reviews, information, and guidance to support parenting and healthy choices. Local authorities have mandated responsibilities under the Health and Social Care Act 2012 to ensure the delivery of health visiting and school nursing services to the entire child population between the age of 0-19 years. Health visiting services are procured in line with the national Healthy Child Programme (HCP).
- 2.4. This new service builds on the lessons from the existing Health Visiting, Family Nurse Partnership (FNP), Healthy Early Years London (HEYL) and the Community Based Peer Mentoring Support for Vulnerable Pregnant Women and New Mothers service. It draws on best practices from other areas that have implemented enhanced health visiting models, e.g., Blackpool and Wolverhampton. Feedback from local residents who have used these services, as well as from strategic partner organisations, have also been considered during the design of the Enhanced Health Visiting Service.
- 2.5. This business case also seeks approval to extend the contract for the current Young People's Clinical Health and Wellbeing Service (CHYPS plus) for an additional year to enable alignment with the procurement of public health services for school-age children. This will support the wider comprehensive review and redesign process for a fully Integrated Children and Young People's Wellbeing service for 0-25 year olds in the City and Hackney in future.

3. RECOMMENDATION(S)

Cabinet Procurement Committee is recommended to:

- 3.1. **Agree to procure the City and Hackney Enhanced Health Visiting Service for a period of up to 5 years (2 +1+1+1) at a maximum value of £35.4M (£7.07M per year)**
- 3.2. **Agree to extend the Young People's Clinical Health and Wellbeing Service contract for up to 1 year until 31 August 2024 at a cost of £540,145.**

4. RELATED DECISIONS

- 4.1. None

5. OPTIONS APPRAISAL AND BUSINESS CASE (REASONS FOR DECISION)

Current provision

- 5.1. The **Health Visiting Service** is a workforce of specialist community public health nurses who provide expert advice, support, and interventions to families with children in their first years of life. Local authorities have mandated responsibility for the delivery of health visiting and school nursing services to the whole of the child population. Health visiting service is procured in line with the national Healthy Child Programme (HCP) model, which offers every family a programme of screening tests, development reviews, information, and guidance to support parenting and healthy choices.
- 5.2. **Family Nurse Partnership** (FNP) is a licensed home visiting programme for first-time young mothers and families. The service is for first-time mothers aged under 19 or up to the age of 24 years, where there are social and emotional vulnerabilities identified. with known vulnerabilities. FNP consists of structured home visits from early pregnancy until the child is two.
- 5.3. **Healthy Early Years London** (currently known as *Eat Better, Start Better*) is a health promotion programme that helps to reduce health inequalities by supporting a healthy start to life across themes that include healthy eating, oral and physical health, and early cognitive development.
- 5.4. **Community Based Peer Mentoring Support for Vulnerable Pregnant Women and New Mothers** (currently known as Bump Buddies) provides crisis support, referrals and support to access services to prevent the escalation of need, particularly among disadvantaged mothers and mothers-to-be. It is a preventative service that addresses social, emotional and financial wellbeing for women during pregnancy and up to six months post delivery. This programme reduces the barriers to accessing services, contributes to reducing the inequalities that exist within and between communities and has a positive impact on the local economy through the training and recruitment of peer mentors.

Maximising the potential for integration (and insourcing)

- 5.5. All public health commissioning activity paused in March 2020. The service went into emergency business continuity measures to allow officers to protect the health and wellbeing of residents and prioritise the pandemic response. This necessitated the extension of some existing contracts to ensure continuity of service during the emergency response period of the pandemic. This included a limited extension to the Health Visiting contract until the end of August 2023.
- 5.6. Additional pressures on staffing resources caused by COVID-19 combined with the backlog of commissioning activity means that a pragmatic approach has had to be taken to what can be achieved in the time available to reprocure the Health Visiting service.

- 5.7. This procurement is part of a phased recommissioning programme for all 0-19 year olds (up to 25 years where there is a statutory responsibility) that will deliver efficiencies and improved outcomes through integration.
- 5.8. The initial contract period has been limited to two years. During this period, work will continue to identify future opportunities around integrating services as part of a comprehensive review and redesign process for a fully Integrated Children and Young People's Wellbeing service for 0-25 year olds in the City and Hackney.

New service to be procured

- 5.9. The new City & Hackney Enhanced Health Visiting Service will be a modern and holistic service focused on addressing the challenges and impact of COVID-19. It will reduce vulnerabilities and address inequalities through a comprehensive approach to identifying and addressing the needs of children and families living in both City and Hackney.
- 5.10. The service builds on lessons learned from the existing Health Visiting and Family Nurse Partnership (FNP) services. It draws on best practices from other areas that have implemented enhanced health visiting models, e.g., Blackpool and Wolverhampton. It has also been updated in line with the 2021 Healthy Child Programme to respond to the increasing number of vulnerable families with complex needs in City & Hackney. It includes a health promotion model which allows for the transfer of health knowledge through community nurses into the wider community and builds capacity within the early years sector.
- 5.11. Moving to one provider generates efficiencies to provide an enhanced service that adds value by investing in the development and sustainability of the health visiting and early years workforce, creating more senior high-impact roles and enabling the Service to undertake a strategic focus on improving outcomes to meet the needs of the population in City and Hackney.

Service Description

- 5.12. The new modernised Enhanced Health Visiting service is 'Universal in Reach – Personalised in Response' and meets the 2021 Healthy Child Programme guidance with the addition of a Level 5 for vulnerable complex families. It is a needs-led model which provides more tailored and evidence-based interventions, allowing for families to travel between levels of service according to their needs. It also utilises community nursery nurses to promote health (Healthy Early Years London programme) in early years settings, ensuring that early years staff are supported where there may be concerns regarding a child's development

5.13. Health Visiting Core offer:

- ☐ child health surveillance (including infant physical examination) and development reviews
- ☐ child health protection and screening
- ☐ information, advice and support for children, young people and families or carers
- ☐ early intervention and targeted support for families with additional needs
- ☐ health promotion and prevention by the multidisciplinary team
- ☐ defined support in early years and education settings for children with additional and complex health needs

5.14. Outline of City and Hackney's Enhanced Health Visiting Service

- ☐ Level 1: Community
 - ☐ Healthy Early Years London (HEYL) health promotion programme based in early years settings and with childminders
 - ☐ Community Based Peer Mentoring Service for Vulnerable Pregnant Women and Mothers
- ☐ Level 2: Universal - Mandated Reviews
 - ☐ Antenatal
 - ☐ New Baby
 - ☐ 6-8 weeks
 - ☐ 1 year
 - ☐ an 18 month- desktop review of all child health records
 - ☐ 2-2 ½ years
- ☐ Level 3: Targeted
 - ☐ One month
 - ☐ 3-4 months
 - ☐ 3 - 3 1/2 years
- ☐ Level 4: Specialist
 - ☐ Multi-agency working
- ☐ Level 5: Intensive
 - ☐ Home visiting service for vulnerable families with children under 2 years, open to families regardless of age, number of children and not restricted to first pregnancies

- 5.15. This new service model provides a new intensive home visiting service (replacing FNP) which is open to a wider number of families, including families who have had children who have died. It also comprises three additional targeted visits in addition to the five mandated visits (1 specifically to act as a safety net for School Readiness), additional speech, language, and communication reviews at the 9-12 month visit, 2-2.5 year visit and at the 3-3.5 year visit to address the impact of COVID-19 on early years development. There are also two additional High Impact roles to support homeless families, and integrated reviews (a total of 9) and an 18 month desktop review of child health records to ensure any outstanding remedial action is identified and addressed before development is impaired.
- 5.16. The procurement of the Enhanced Health Visitor service will align with the following principles:
- 5.16.1. To provide an evidence-based, high-quality universal service to all children and families predicated on meaningful contact and home visits supporting effective parenting starting in the antenatal period.
 - 5.16.2. To focus on prevention and health promotion, early identification of needs, intervention, and clear support packages that families can easily navigate and access.
 - 5.16.3. To ensure that children from birth and through their early years are adequately protected through safe and effective practice in safeguarding and child protection in close collaboration with other agencies and in line with the [Hackney Child Wellbeing Framework](#) and [City of London Thresholds of Need](#) ensuring effective intervention in families where there are concerns, e.g. parenting capacity, adult mental health, alcohol or substance use, domestic or child abuse.
 - 5.16.4. To lead the delivery of the Healthy Child Programme (HCP) using a collaborative approach in partnership with children, families and agencies working together to support and empower children and families to improve their health and wellbeing whilst reducing inequalities in outcomes such as the uptake of immunisations, maternal and child obesity, dental health, mental health, emotional resilience and worklessness.
 - 5.16.5. To demonstrate improved outcomes for the health and wellbeing of all children and families using shared outcome measures aligned between health, education, and children's social care.
 - 5.16.6. To improve services for children, families, and local communities through working efficiently, strengthening Health Visiting Services and using innovation to respond to needs at individual, community, and population level.

- 5.16.7. To deliver a service which is underpinned by rigorous quality assurance through effective self-evaluation, performance management and a continued focus on health improvement.

6. BENEFITS REALISATION / LESSONS LEARNED

The Health Visiting Service

- 6.1. Rather than radically change this successful delivery model, the service has been re-designed in line with the updated Healthy Child Programme 2021, with additional targeted reviews to support improved outcomes in school readiness, children with SEND, and the increasing number of vulnerable families with complex needs. The new model also involves closer working with the community to capacity build and diversify the skill mix, supports cultural appropriateness and integrated workforce models. Continued professional development and training will provide more specialist roles and boost recruitment which is key to achieving a sustainable, high-quality service.
- 6.2. Service delivery statistics from 2017/18 show that City and Hackney consistently delivered a higher completion rate for visits at the new birth, 12 months, and at 2 - 2 ½ years' reviews compared to regional and national averages.
- 6.3. However, Hackney performs less well at the 6-8 week review and has been below the London and England average for the last two years. Hackney is the fourth lowest performing borough for the 6-8 week review of 29 boroughs and the lowest performing compared to statistical neighbours (excluding Lewisham, no data available).
- 6.4. The percentage of children achieving School Readiness at the end of Reception in 2018/19 was 69.6% in Hackney and 85.1% in the City of London. Hackney had the lowest percentage of London and England averages.
- 6.5. Two pilots were undertaken with the Charedi Orthodox Jewish Community to increase the uptake of the 27-month developmental review. The pilots concluded that there was still a need to build trust and confidence between the Health Visiting Service and the community to increase the need to participate in developmental reviews. The recommendation was that the service should continue to deliver cultural appropriateness training.
- 6.6. There are also increasing levels of vulnerable families, children with SEND, families in temporary accommodation/homeless, and families with complex needs in the population. To address these needs the new service will employ an additional High Impact role to support increased take-up of integrated reviews particularly within the Charedi community and include an additional targeted review at 3 - 3 ½ years to reach those children who are missed at the 2 ½ review; these measures will support improved school readiness outcomes. A

commitment to undertake on-going cultural appropriateness training will be included in the service specification.

- 6.7. Health promotion within early years settings and with childminders (a large number who are from the Charedi community) will also ensure a focus on improving outcomes and raising the importance of attending reviews.
- 6.8. There will also be an additional High Impact role to specifically support homeless families; the 2022 City & Hackney Health Needs Assessment identified that more holistic support was required for these families.
- 6.9. The enhanced service will embrace innovation, digital solutions, and blended delivery to improve review targets and diversify and upskill the workforce to meet the challenge of recruiting and retaining a skilled workforce and a modern service.

The Family Nurse Partnership (FNP)

- 6.10. The FNP programme has a number of limitations: a) It only works with first-time young mums under 25yrs old. This is not in line with the needs of the City & Hackney population, which has a reduced number of teenage parents, and an increasing number of older first-time parents. b) The programme only works with the first child up to 2 yrs. In Hackney, a large percentage of births are within the Charedi population who have large families with up to 10 children - a number who are under 2 yrs. The FNP programme only works with 1 child. c) The programme does not address concealed pregnancies, as you cannot access the programme if you are more than 28 weeks pregnant. d) FNP is a licensed model; the service cannot be tailored to suit the needs of our local population.
- 6.11. Feedback obtained from clients as part of the 2022 Health Needs Assessment demonstrates the programme is highly valued but would like the programme to work with more than one child.
- 6.12. The service is monitored against four core elements as part of their licensed programme: 1) client eligibility and enrolment; 2) family nurse recruitment, education and working practices; 3) supervisor recruitment, education and working practices and 4) local organisational infrastructure and resources.
- 6.13. In the last two years, the service has been successful in offering services to first-time mothers under the age of 24 years and has also been able to meet attrition levels of less than 40%.
- 6.14. However, the service has faced challenges in ensuring that 75% of clients who are offered the service go on to enrol on the programme and ensuring they enrol before 16 weeks and at a maximum of 28 weeks.
- 6.15. The service has also faced challenges in recruitment and staffing capacity, which has impacted achieving these KPIs.

- 6.16. The new model continues to focus on those eligible for FNP whilst also broadening the criteria for intensive home support to meet the needs of families most in need - no restrictions on age or number of children under 2yrs and no time limit on referrals (addresses concealed pregnancies). The number of visits will be based on need; once clients reach 'Self Reliance', they will return to universal health services.

Healthy Early Years London (HEYL)

- 6.17. The new model incorporates a robust health promotion programme for early years settings and childminders and builds the capacity of settings to improve health and wellbeing and address health inequalities. This includes ensuring settings have the policies and practices in place to promote the take up of integrated reviews, immunisations, early cognitive, emotional, and social development, healthy eating, physical activity, oral health, and addressing the needs of children with special educational needs (SEN).
- 6.18. The service has previously focused on 2 elements of the HEYL programme - Eat Better, Start Better (healthy eating) and physical activity. This new Enhanced Healthy Visiting Service would broaden and expand the reach and remit of the programme to cover the full nine elements and, as a health promotion programme, would benefit from the additional expertise and support provided by the Community Health Nurses.

Community Based Peer Mentoring Support for Vulnerable Pregnant Women and New Mothers

- 6.19. The new model involves working with a Community Voluntary Sector partner to deliver:
- Single Point of Access (SPOA) (Crisis Support) - this is the first point of contact for residents. The initial meeting consists of an assessment conducted over the phone to determine urgent welfare needs and more long-term priorities; tailored information and signposting is then provided.
 - Intensive support, advice and guidance - supports women to gain the knowledge, skills and confidence to become active participants in their own health and wellbeing in order to reach self-identified goals. Support is offered over the phone or in person over a number of sessions with a named staff member.
 - Peer Mentoring Support - is a more intensive and longer term package of support offered to women, from a trained volunteer peer mentor, following crisis support. Meetings take place in the community or over the phone.
- 6.20. It will work with clients to:
- Improve emotional wellbeing
 - Reduce isolation and loneliness

- Improve confidence and self-esteem
- Increase access to local services

Strategic Context:

- 6.21. This service strongly supports the key priorities identified by the City and Hackney Integrated Care Partnership.
- 6.22. Deliver a shift in resources and focus on prevention to improve the long-term health and wellbeing of local people and address health inequalities. The enhanced model was developed to identify concerns at an earlier stage enabling access and referral to additional sources of support to address development concerns and to prevent the escalation of need, making referrals to wider services more effective.
- 6.23. The enhanced service has five levels which identify families with the highest levels of need to reduce vulnerabilities and address inequalities.
- 6.24. Deliver proactive community-based care closer to home and outside of institutional settings where appropriate. The service will be based in community settings and Children's Centres across the City and Hackney to help facilitate access and improve care.
- 6.25. Ensure we maintain financial balance as a system and achieve our financial plans. The new provider will be required to manage any inflationary risk for the duration of the contract, including NHS staffing cost uplifts.
- 6.26. Deliver integrated care which meets the physical, mental health and social needs of our diverse communities. The service will work in partnership with a range of services based in the community to ensure the support provided is holistic and tailored to the individual and their specific needs.
- 6.27. Empower patients and residents. This service aims to equip vulnerable families with the knowledge and tools they need to move through the stages of 'stuck', 'starting to engage', 'trying for yourself', 'finding what works' to 'self-reliance'.

This service also supports the Mayor's priorities in a number of ways.

- 6.28. It ensures that the lessons of coronavirus and the underlying health inequalities that determine poor health are understood and tackled and that disproportionate health outcomes are narrowed.
- 6.29. To continue with plans to join up health and social care to deliver locally accountable and integrated services. Work is currently in progress to agree on a Joint Children & Family Integrated Health Framework that will align with the 'systems' priorities and summarise the approach to integrated children and families services (including Family Hubs) across the City of London and Hackney; this will include a vision for integrated services and key integration principles that will

support 0 - 19 (25) commissioning. This tender is part of a phased programme to develop an Integrated Children and Families' Health & Wellbeing Service.

- 6.30. Local Authorities have mandated responsibilities under the Health and Social Care Act 2012 to ensure the delivery of health visiting and school nursing services to the whole of the child population.
- 6.31. Hackney has a service level agreement with the City of London Corporation to commission services on behalf of both Local Authorities.
- 6.32. Resources can be met for this service from existing budgets. Cashable efficiency savings are not required for this service; however, the new provider will be required to manage any inflationary risk for the duration of the contract, including NHS staffing cost uplifts.

Preferred Option:

- 6.33. The preferred model is to appoint via a competitive procurement process a single provider to deliver an Enhanced Health Visiting service that includes the statutory Health Visiting function alongside increased provision for an intensive support service for vulnerable parents. The aims of the service are to provide expert advice, support, and evidence-based interventions to families with children in the first years of life, in line with the revised 2021 national Healthy Child Programme (HCP).
- 6.34. As a result of moving from four providers to one provider this model maximises resources and supports a range of service enhancements to support early intervention and early identification due to reduced management costs; this ensures improved service delivery and best value for money. It also allows for concentrated investment and builds the skills and capabilities of the existing workforce, providing more opportunities for an increased number of senior nursing roles and opportunities for career progression.
- 6.35. The model also incorporates a new, intensive home visiting service which will be accessible by a wider range of vulnerable families, based solely on need rather than on criteria.
- 6.36. The new model incorporates evidenced-based assessment tools, including the Early Language Identification Measure (ELIM), Solihull Approach (addressing emotional health and wellbeing), Adverse Childhood Experiences (ACE), the New Birth Outcomes Star and the Early Help Assessment (EHA) tool and facilitates the use of innovative approaches and digital resources to reach families.

7. ALTERNATIVE OPTIONS (CONSIDERED AND REJECTED)

7.1. Option 1: Reprourement of the existing Health Visiting and Family Nurse Partnership services.

- 7.1.1. This option does not allow for an integrated and enhanced Health Visiting service that would meet the needs of our local

population. It does not offer the management, information systems' related efficiencies that a single provider would. The current Health Visiting model is not in line with the modernised 2021 Healthy Child programme guidance and therefore is inconsistent with the current evidence-based approach to address the impact of COVID-19 on the 0-5 population.

7.2. Option 2: Procurement of the Family Nurse Partnership and Health Visiting tendered as one service

7.2.1. This option includes Health Visiting and Family Nurse Partnership in one specification. There are cost and time efficiencies due to shared management oversight and timetabling and the Family Nurse Partnership would operate as a separate service within this. While this model would incorporate the modernised 2021 Healthy Child programme guidance, the Family Nurse Partnership model would not meet the needs of our population.

7.2.2. There is an increasing number of older first-time mothers and a decreasing number of teenage/young parents. Feedback undertaken as part of the 2022 City & Hackney Health Needs Assessment has also shown that families want a programme that can be accessed at any time during their pregnancy or following their pregnancy and that will work with more than one child under 2 yrs old.

7.2.3. The Family Nurse Partnership model is a licenced programme that cannot be tailored to local needs, and during the lifetime of the programme, it failed to reach its recruitment targets. This option would mean continued adherence to the rigid eligibility criteria that would continue to result in low take-up rates; this option does not meet our needs and therefore is not cost-effective.

7.3. Option 3: Do Nothing

7.3.1. Local Authorities have mandated responsibilities under the Health and Social Care Act 2012 and so doing nothing would not discharge our legal responsibilities.

7.4. Option 4: Insourcing

7.4.1. Procurement of an in-house service for health visiting for vulnerable families was considered within the short time frame available but not considered to deliver the best options nor be feasible.

7.4.2. This is a clinical and highly specialised service which requires formal CQC registration (which takes approximately 3 months), clinical expertise and clinical supervision. Neither LBH nor the City of London Corporation has the required professional staff nor structures to undertake this.

- 7.4.3. The recent Sector Led Improvement Report (SLI) on Health Visiting identified that 26 out of 33 London boroughs have specialist NHS providers. Although Newham has an in-house model for Health Visiting they found the process complex given the size and scope of the service. They undertook a 2-step process which involved in-sourcing the School Nursing Service in 2016 which took a year to complete, followed by the Health Visiting service which took a further 2 years. Greenwich integrated health visiting with children's centres in 2020; this is delivered by Bromley Healthcare.
- 7.4.4. Insourcing this specialist clinical service into LBH was not felt to be in the best interests of local residents at this time, and would require very significant additional staff to provide the specialist supporting clinical services. The time and additional cost to develop, recruit and establish the supporting clinical services would also delay the provision or procurement and as such was rejected as a viable option for these services.

Considerations with regard to in-sourcing that were explored:

- 7.4.5. Operational staffing risk - unfilled posts can lead to reduced access to the service by patients and service disruption. In turn this can lead to a reliance on agency staff, and increased costs as consideration needs to be applied to a continuous service, based on 'Health provision' as opposed to organisation status. Directly employing Health Visiting staff and specialist staff would be less cost-effective therefore than commissioning the service from an established Health Visiting provider that has the infrastructure and experience to supervise the Health Visitors.
- 7.4.6. HR & Pensions - internal management costs, staff, terms, and conditions of employment would be eligible to be transferred over under TUPE arrangements. Health visitors appointed post-transfer will be employed on Council contractual terms and conditions so Council terms and conditions would need to be aligned with NHS contracts in order to attract high-quality staff.
- 7.4.7. Acquiring high-quality expertise - there would be additional challenges in attracting and recruiting specialist nursing staff to support the delivery of high-quality intensive home based services for vulnerable families
- 7.4.8. IT - the system that is used by the Health Visiting teams is RIO, the Council does not use this system and therefore would need to ensure existing IT arrangements were kept in place to allow health visiting staff to have access to necessary data and information from day one, including access to the Child Health Information System.

- 7.4.9. The Council would need to be able to support placements for student health visitors as part of the wider Health Education England (HEE) framework to support the delivery of excellent healthcare and health improvement to ensure that the workforce is future-proofed; has the right numbers, skills, values, and behaviours, at the right time and in the right place.
- 7.4.10. As previously outlined, this is the start of a phased programme of recommissioning, the ambition of which is the integration of services across 0-25 provision. Within this context, new commissioning arrangements for public health services will continue to be explored during the initial contract delivery period to ensure that the maximum potential and time dedicated for insourcing and partnership working in the future is considered as part of the wider integration of services, including NHS interventions.

7.5. Success Criteria/Key Drivers/Indicators:

The Health Visiting Service is the lead for the 0-5 Healthy Child programme (HCP) and contributes to the achievement of the following health outcomes:

- Improving life expectancy and healthy life expectancy
- Reducing infant mortality
- Reducing low birth weight of term babies
- Reducing smoking at delivery
- Improving breastfeeding initiation
- Increasing breastfeeding prevalence at 6-8 weeks
- Child development at 2-2.5 years
- Reducing the number of children in poverty
- Improving school readiness
- Reducing under 18 conceptions
- Reducing excess weight in 4-5 and 10-11 year olds
- Reducing hospital admissions caused by unintentional and deliberate injuries in children and young people aged 0-14
- Improving population vaccination coverage
- Disease prevention through screening and immunisation programmes
- Reducing tooth decay in children aged 5

8. WHOLE LIFE COSTING/BUDGETS

Enhanced Health Visiting Service

- 8.1. The whole life cost for the Enhanced Health Visiting Service comes from the ring-fenced public health grant; this will be a maximum of £35.4M or £7.07M per year for up to five years.
- 8.2. The new service will commence on the 1st of September 2023 and will replace the existing Health Visiting service (circa £6.42M p.a.), Family Nurse Partnership (circa £500k p.a.), HEYL service (£100k p.a.) and the Community Based Peer Mentoring Support for Vulnerable Pregnant Women and New Mothers (£50k p.a.).
- 8.3. NEL ICB will contribute £25k p.a. of match-funding towards the Community Based Peer Mentoring Support for Vulnerable Pregnant Women and New Mothers (currently known as Bump Buddies). Although the City does not currently contribute to this service, City residents are eligible because of ICB funding.
- 8.4. The City of London will provide an annual contribution to this service to cover the cost of providing the Enhanced Health Visiting service to City of London residents. This will be approximately 3% of the total contract value.

Young People's Clinical Health and Wellbeing Service

- 8.5. This service provides a clinical and treatment service for young people aged 11 to 19. A five-year contract with a total value of £2.6M was awarded to Homerton University Hospital (HUH) in 2016 following a competitive procurement process. In response to the Covid-19 pandemic, this contract was extended until the end of August 2023 via CPIC Report in May 2021.
- 8.6. This extension was required to ensure continuity of service during the emergency response phase of the pandemic and to provide time to undertake an analysis of the impact of the pandemic on the health and wellbeing needs of children and young people.
- 8.7. A further one-year extension until the end of August 2024 is requested as part of the phased approach to the recommissioning of all public health, children, and young people (0-25) related services. Aligning the procurement timetable with other related services will maximise the potential for service integration and the potential for insourcing. The total cost of this extension will be £540,145.
- 8.8. The one year extension will also provide further time for analytical work which was delayed by the ongoing impact of the pandemic.
- 8.9. The service is currently delivered by the local NHS trust and it is unlikely that the proposed extension will be challenged. NHS providers are under considerable pressure and are prioritising the delivery of existing services. In addition, following the passing of the Health and Care Act 2022 providers are increasingly focusing on partnership working with local commissioners (changes to the

provider selection regime for health, including Public Health services, are anticipated but the timetable currently TBC).

NB: as a service provided by an NHS provider, the Young People's Clinical Health and Wellbeing Service is eligible for an annual Agenda for Change (AfC), staffing-related uplift. The 2022/3 AfC uplift is currently to be confirmed and whether this will constitute an additional cost pressure for extending the service.

9. POLICY CONTEXT:

The most relevant policies are listed below.

Hackney Health and Wellbeing Strategy 2022-2026

- 9.1. The Hackney Health and Wellbeing Board aims to improve health in Hackney and reduce health inequalities - the avoidable and unfair differences in health between different groups and communities. The Enhanced Health Visiting model clearly contributes to improving health and reducing health inequalities through its needs-led approach and increased access to level 5 services to include more vulnerable families

Hackney Council Corporate plan refresh:

- 9.2. Priority 5: Community Wellbeing and Tackling Health Inequalities. The Enhanced Health Visiting Service has also been updated in line with the 2021 Healthy Child Programme, which aims to address the impact of COVID-19 and health inequalities. Families with the highest levels of need and vulnerabilities and related complexities will be identified early, prioritised, and have improved access to services.

The Hackney Community Strategy 2018–2028

- 9.3. The proposed service will also strongly support the Hackney Community Strategy 2018–2028. The most relevant aspects of the priorities listed in this strategy are that Hackney is a borough with healthy, active, and independent residents and a supportive community, somewhere everyone can enjoy a good quality of life, where residents fulfil their potential, and everyone contributes to community life. These values also will underpin the new Enhanced Health Visiting Service.

City of London Corporate Plan

- 9.4. The service will also support many of the aims and priorities set out in the City of London's Corporate Plan, most notably that "People enjoy good health and wellbeing", which is one of the main aims of the service. However, it will support other priorities, such as supporting people to have equal opportunities to enrich their lives and reach their

full potential and communities being cohesive with the facilities they need

The Healthy Child Programme, 2021

- 9.5. The updated model emphasises the health visiting and school nursing role as leaders of the Healthy Child Programme, collaborating with various delivery partners. It offers every family an evidence-based programme of interventions, including screening tests, immunisations, developmental reviews, and information and guidance to support parenting and healthy choices.
- 9.6. The 2021 model outlines the guidance for a modernised health visiting, and school nursing service delivery model that is 'Universal in reach – Personalised in response' consisting of a schedule of interventions, from universal to intensive support. The Enhanced Health Visiting Service has been updated in line with this guidance

NHS Long Term Plan

- 9.7. This service supports the NHS Long Term Plan by identifying and targeting families identified as having the greatest risks and needs, and providing targeted and or intensive support

Public Health Outcomes Framework

- 9.8. This contract supports a range of related measures from the Public Health Outcomes Framework which contributes towards the overall aim to increase healthy life expectancy. Furthermore, the focus of this service on decreasing health inequalities also contributes towards the overall outcomes to reduce the differences in life expectancy and healthy life expectancy between communities.

10. CONSULTATION/STAKEHOLDERS

Two workshops were held by public health to inform the redesign of health visiting services in 2022.

Early Years Workshop February 2022

- 10.1. Participants from health, education, local government, voluntary and private sectors. Improvements suggested by participants were themed around a) integrated working and joint training programmes; b) better handover of clients; c) reintroduction of services that had stalled due to the pandemic such as 'integrated reviews', improving the 'visibility of HV staff'; d) and sharing of data for planning and service delivery. The feedback highlighted potential inconsistencies in service delivery.

Health Visiting Workshop March 2022

- 10.2. Three speakers were invited to discuss various health care models, Newham presented an in-house model, Tower Hamlets, GP Care

Group Provider model and Brent presented the MESCH (Maternal Early Childhood Sustained Home-Visiting) which is an Australian model of health visiting. The key themes raised were a) integration, including health visiting with school nursing, children centres, early help systems and the co-location of services with multi-agency provision at the neighbourhood level; b) partnership working; c) The need to cultivate trust with families; d) Workforce shortages as an important implication for future services.

- 10.3. Stakeholder responses to the modernised 2021 Healthy Child Programme were received positively; it was recognised as less prescriptive and more responsive, providing support beyond the first 1001 days to school readiness. Positive responses were also received with regard to the inclusion of a targeted 3 - 3 ½ year Integrated Review, noting that it would be particularly good to pick up children who had missed the 27 month review and good for SEND children; however, a dedicated post would be needed to support this. These responses have been noted and included in the specification.
- 10.4. It is anticipated that staff from one or more of the existing providers will be eligible for TUPE transfer to the new service. The existing providers have been included in the stakeholder consultation completed as part of the service design process.

11. RISK ASSESSMENT/MANAGEMENT:

Risk	Likelihood	Impact	Overall	Action to avoid or mitigate risk
	L – Low; M – Medium; H - High			
There may be some challenges with recruitment and retention of specialist highly skilled Health Visitors/SCPHN supply, due to a national shortage.	Medium	Medium	Medium	Vary the skill mix needs to support the service model to meet the needs of children and families. Continual need to ensure the delivery of high quality staff training and development.
This is a specialist clinical service, and there are a limited number of suitably qualified providers.	Medium	Medium	Medium	Pre-market engagement has been completed which has included research into different Health Visiting models across the country, benchmarking with other local authority areas to

Risk	Likelihood	Impact	Overall	Action to avoid or mitigate risk
	L – Low; M – Medium; H - High			
				<p>identify potential providers, and consultation events.</p> <p>A Prior Information Notice has been issued alerting the market to this opportunity.</p> <p>Further market engagement is planned to publish this procurement opportunity.</p>
Families eligible for the service do not engage with the service	Low	Low	Low	The eligibility criteria has been broadened and is needs-based, to ensure that families and children who need the service are being provided the required level of support (Community, Universal, Targetted, Specialist and Intensive home visiting).
Need to ensure timeliness of data transfer to ensure there is no disruption in service for existing FNP clients	Low	Low	Low	Service mobilisation period will be for a minimum of 6 months, to allow for the safe and secure sharing of client records.

11.1. **Insurance:** Advice from Insurance Services has been sought, and appropriate insurance will be included in the tender documentation.

11.2. **Market Testing** (Lessons Learnt/Benchmarking):

11.2.1. A Prior Information Notice was published on 1st August, 2022. This was followed by a market engagement event with potential bidders who had expressed an interest in delivering the service.

11.2.2. There were a number of presentations made to various strategic forums to share and gather responses to the proposed new service model. This included:

- CYPMPF Neighbourhoods Steering Group meeting 1/8

- GP Practice Group - 3/8
- Market Engagement Event 8/9

11.3. Savings

- 11.3.1. Resources can be met from existing budgets, and there are no cashable efficiency savings required from this procurement. However, the new provider will be required to manage any inflationary risk for the duration of the contract, including NHS staffing cost uplifts (Agenda for Change).

12. SUSTAINABILITY ISSUES

Procuring Green

- 12.1. This is primarily a service contract that will have some negative environmental impact. However, this will be mitigated by ensuring that the service is required to have appropriate recycling facilities, safe disposal of clinical waste and a preference for use of sustainable transport for staff providing the service. The provider will also be required to keep their records in a paperless format, where possible and active travel options for staff will be encouraged.

Procuring for a Better Society

- 12.2. This is a clinical service that cannot be broken down into smaller lots, however, the service is expected to work in partnership with local providers at the Community Level. The provider will be required to pay the London Living Wage as a minimum and deliver the service from locations accessible to City and Hackney residents.

Procuring Fair Delivery

- 12.3. This service directly aims to address health inequalities and improve the health and wellbeing of the local families who use it. The eligibility for the service will be assessed based on their level of need and in line with procurement contract regulations (PCR).
- 12.4. The number of organisations invited to tender will not be restricted. The criteria for the service has been expanded to include all vulnerable families using the approach of universal in reach and personalised response.
- 12.5. The social value delivered by the service will be tested as part of the procurement process.

Equality Impact Assessment and Equality Issues

- 12.6. The proposed delivery model for an Enhanced Health Visiting Service for the City and Hackney has been updated in line with the 2021 Healthy Child Programme, which focuses on meeting the needs of children impacted by COVID-19 and vulnerable families.

- 12.7. It focuses on the early identification of health needs to improve access to services and improve health and wellbeing by promoting health, preventing ill health, and reducing inequalities.
- 12.8. The intensive home visiting service is for vulnerable families and will provide support based on the needs of the families.

13. **PROPOSED PROCUREMENT ARRANGEMENTS**

Procurement Route and EU Implications:

- 13.1. The service falls under the 'light touch' regime for services of the 2015 Public Contract Regulations. The tender opportunity will be promoted as widely as possible. This will include all organisations that responded to the Prior Information Notice.
- 13.2. The total contract value is above the threshold (currently £663,540, including VAT), so a Find a Tender Service (FTS) notice will be published.

Resources, Project Management and Key Milestones:

- 13.3. The service will be overseen by the Public Health Consultant lead for Children's services and contract managed by a Senior Principal Public Health Specialist with support from the Public Health Commissioning Team.
- 13.4. The project team responsible for designing the service included:
- Public Health Consultant, London Borough of Hackney
 - Principal Public Health Specialist, LBH
 - 2 Senior Public Health Specialists, LBH
 - Public Health Commissioning Manager, LBH
 - Supported by Senior Programme Manager and Business Support Officer, LBH

Key Milestones	
Business Case Report to CPIC	3rd October 2022
Find a Tender Service advert placed	11th October 2022
Issue Tender	11th October 2022
Deadline for tenderer's questions	14th November 2022
Tender returns	21st November 2022
Tender Evaluation	15th November 2022 -3rd February 2023
Contract Award Report considered at CPIC	17th April 2023
Voluntary standstill period	18th - 28th April 2023
Mobilisation period	May - end of August 2023
Start on site / Contract start	1st September 2023

Contract Documents: Anticipated contract type

- 13.5. A detailed specification has been drafted , which includes areas that are set by national standards and evidence base. Other parts of the service specification have been influenced by consultation, completion of a joint strategic needs assessment and involvement of the design steering group. The involvement of stakeholders in the consultation on the specification gives us full confidence that they have bought into the process.
- 13.6. The tender pack will include the terms and conditions that are currently used by Public Health and method statement questions to evaluate the quality of the service to be delivered by the providers.
- 13.7. The contract will be awarded to a single organisation with access to the relevant clinical oversight and support services.

Sub-division of contracts into Lots

- 13.8. Provision of the Enhanced Health Visiting services requires formal registration, clinical expertise and supervision and cannot be broken down into smaller lots; however, the service is expected to work in partnership with local providers at the Community Level. Tendering through a single tender and moving from three providers to one provider maximises resources and supports a range of service enhancements to support early intervention and early identification due to reduced management costs; this ensures improved service delivery and best value for money. It also allows for concentrated investment and builds the skills and capabilities of the existing workforce and provides opportunities for the creation of more senior nursing roles and opportunities for career progression.

Contract Management:

- 13.9. The contract will be managed by Hackney's Public Health team. This will include a minimum of quarterly review meetings and contract monitoring forms which will be used to review service delivery and performance against required service levels and key performance indicators. In addition to this, the current provider will also be contract managed to ensure that if a new Provider is selected, there is a smooth transition process.
- 13.10. Contract monitoring meetings will look into the performance against Key Performance Indicators, identification and mitigation of any underperformance issues, service development, as well as staffing and health and safety issues. This will be implemented throughout the contract period.
- 13.11. The provider will be expected to adopt an approach of continuous learning and development to improve the service delivery throughout the contract. The budget structure will support this, allowing a portion of funds to be moved to the best performing and most in demand aspects of the service.

Key Performance Indicators:

- 13.12. The KPIs that will be assessed, and performance managed to demonstrate, to the Council, value for money and quality are grouped under the following headings:
- a) High quality contact and assessment
 - b) Excellent partnerships
 - c) Public health outcomes
 - d) Safeguarding
 - e) Service satisfaction (See Appendix 1 for full detail of KPIs).

14. COMMENTS OF THE GROUP DIRECTOR FINANCE AND CORPORATE RESOURCES

- 14.1. This business case seeks approval to procure an Enhanced Health Visiting Service, which is in line with the revised 2021 Healthy Child Programme guidance published for a period of up to 5 years (2 +1+1+1) from 1st September 2023 at a maximum contract value of £35.4M (£7.07M p.a.).
- 14.2. The report also requests approval to extend the current contract for the Children & Young People's Clinical Health and Wellbeing Service plus service for an additional year upto 31 August 2024 at a total annual contract cost of £540k.
- 14.3. The annual contract values of £7.07m and £540k reflected in the points above have been factored into the commissioning plans for the 2022/23 financial year, and will not result in a budget pressure for the Council. If budget pressure arises, then management actions would need to be implemented to contain expenditure within the available grant.

15. VAT Implications on Land & Property Transactions

- 15.1. None.

16. COMMENTS OF THE DIRECTOR, LEGAL, DEMOCRATIC & ELECTORAL SERVICES

- 16.1. Paragraph 2.7.6 of Contract Standing Orders states that all procurements with a risk assessment of "High Risk" will be overseen by Cabinet Procurement Committee (now Cabinet Procurement and Insourcing Committee) and therefore this Business Case Report is being presented to Cabinet Procurement and Insourcing Committee for approval.
- 16.2. The services to be procured in this Report are classified as Social and other Specific Services under Schedule 3 of the Public Contracts Regulations 2015 and are of an estimated value above the threshold of £663,540 (including VAT) for such services. Therefore it will be necessary to publish a Find a Tender notice in respect of the procurement of the services. However as these are Schedule 3 (light touch) services the Council will then be subject to a smaller number of

procedural rules in regard to how it procures such services. It will, however, be important to ensure that it complies with the obligations to treat economic operators equally and without discrimination and act in a transparent and proportionate manner in accordance with Regulation 18 of the Public Contracts Regulations 2015

- 16.3. The procurement of these services is for the benefit of both the London Borough of Hackney and City of London Corporation. This will need to be stated in the procurement documents so bidders are aware of the scope of the contract.
- 16.4. It is also proposed to extend the Young People's Clinical Health and Wellbeing Service contract for the period from 1st September 2023 - 31st August 2024. This Report sets out the reasons why it has not been possible to undertake a procurement process to continue service provision after prior to the expiry of the contract. To undertake a procurement in order to appoint a short term provider to commence the service in 2023 would be economically disadvantageous for the Council in terms of the price of tenders received and is unlikely to meet the needs of the Council with regard to integration of service provision. Therefore it is proposed to seek an extension to the current contracts with the provider. It should be noted that there is, therefore, some risk to the Council that a challenge to the extension of the contract could come from competitors the Council has not approached to undertake the services. If such a challenge were successful it is likely that the Council would be liable to pay the lost profits of a party who has successfully challenged as well as the costs of bringing such a challenge and potentially a fine from the government for a breach of the Regulations. This should be considered in the decision to approve the award in this Report.

17. COMMENTS OF THE PROCUREMENT CATEGORY LEAD

- 17.1. The proposed service is valued at up to £35.4M which is above the relevant UK public procurement threshold (Social and Other Specific Services "light touch" regime) and must be awarded in accordance with the relevant procedures set out in the Public Contracts Regulations 2015. The Council's Contract Standing Order 2.5.2 requires that the Business Case and Contract Award for a High risk procurement be approved by Cabinet Procurement and Insourcing Committee.
- 17.2. Procurement of a single contract via an open competitive tender process is supported as an appropriate and compliant route as set out in the report.
- 17.3. The proposals for service integration as part of a phased programme provides an opportunity to improve the outcomes delivered to residents whilst also maximising value for money.

- 17.4. The timeline for the procurement process is reasonable to ensure contract commencement on 1st September 2023. The extension of the Children & Young People's Clinical Health and Wellbeing service for an additional year upto the 31 August 2024 is supported for the reasons set out in the report.

18. EXEMPT

- 18.1. None

19. BACKGROUND PAPERS

- 19.1. In accordance with The Local Authorities (Executive Arrangements) (Meetings and Access to Information) England Regulations 2012 publication of Background Papers used in the preparation of reports is required

20. DESCRIPTION OF DOCUMENT (or None)

- 20.1. This business case was based on the following key documents:
- City & Hackney Children and Young People's Health Needs Assessment 0 - 25yrs, 2022
 - Health Visiting/FNP Project Plan
 - PRIMAS
 - Risk Assessment Tool
 - Privacy Impact Assessment
 - Equalities Impact Assessment
 - Prior Information Notice

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Comments of the Procurement Category Lead	<p> Timothy Lee Category Lead (Health and Social Care timothy.lee@hackney.gov.uk 020 8356 7782 </p>
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21. APPENDICES

Appendix 1: Funding Confirmation Letter to LBH from the ICB Sept 13 2022

https://docs.google.com/document/d/10rx0Xp1y_sIMl-EnuwwpIxEHaE1OAEHx6GXnlc7GA4/edit

Appendix 2: Enhanced Health Visiting Service - Key Performance Indicators (KPI's)

The City & Hackney Enhanced Health Visiting model has been modernised in line with the 2021 Healthy Child Programme. The 2021 guidance addresses the impact of COVID-19 on children's development, the increasing number of vulnerable families and continues to focus on the need to address widening health inequalities. All of the following Service KPIs are linked to the Mayoral Priority to ensure that the lessons of coronavirus and the underlying health inequalities that determine poor health are understood and tackled, and that disproportionate health outcomes are narrowed.

KPI No	KPI	Target	Reporting Frequency
	Number of mothers who received a first face-to-face antenatal contact with a Health Visitor at 28+ weeks or above	80% target	Quarterly provider performance report
	Percentage of births that received a face-to-face NBV within 14 days by a Health Visitor	95% target	Quarterly provider performance report
	Percentage of targeted mothers (vulnerable mothers specialist and intensive service) who received a follow up home visit at 1 month	66% target	Quarterly provider performance report
	Percentage of children of targeted mothers (vulnerable mothers identified as having needs at the specialist and intensive level) who received a 3-4 month assessment	66% target	Quarterly provider performance report
	Completion of Outcomes Star	Baseline 95% target	Quarterly provider performance report

	Percentage of children/families following a targeted review who have completed an Outcomes Star	Baseline 95% target	Quarterly provider performance report
	Percentage of children who received a 12 month review by the time they turned 12 months	90% target	Quarterly provider performance report
	Percentage of children who received a 2-2.5 year review	90% target	Quarterly provider performance report
	Percentage of children who received a 2-2.5 year review using ASQ 3	80% target	Quarterly provider performance report
	Percentage of children who received an Integrated 2-2.5 year review	66% target	Quarterly provider performance report
	Percentage of child records reviewed at 18 months	Establish baseline in Yr.1 (target set in Yr.2; 66%)	Quarterly provider performance report
	Percentage of child records where follow-up action has been identified and completed	100%	Quarterly provider performance report
	Percentage of children who received a 3-3.5 year review using ASQ 3	Baseline 95% target	Quarterly provider performance report
	Clients recruited onto Intensive 1-2-1 Home Visiting Service by pregnancy, infancy and toddlerhood: <ul style="list-style-type: none"> • Pregnancy • Infancy • Toddlerhood 	80 per annum 90% target	Quarterly provider performance report

	Clients commencing the Intensive 1-2-1 Home Visiting Service by stage: 1. Stuck 2. Starting to engage 3. Trying for yourself 4. Finding what works	72 (90% of 80) per annum 100% target	Quarterly provider performance report
	Clients who have left the Intensive 1-2-1 Home Visiting Service by stage (attrition rates): 1. Stuck 2. Starting to engage 3. Trying for yourself 4. Finding what works 5. Self-Reliance	10% or less 10% or less 15% or less 20% or less 100%	Quarterly provider performance report
	Clients commencing the Intensive 1-2-1 Home Visiting Service who have been referred back to the Universal Service	Target 72 Baseline	Quarterly provider performance report
	Reduction in smoking during pregnancy	No target	Quarterly provider performance report
	Percentage of clients breastfeeding at: a) initiation b) 6 weeks infancy - exclusive c) 6 months infancy - exclusive d) 12 months infancy with complimentary foods e) up to 24 months with complimentary foods		Quarterly provider performance report
	Reduced premature and low birth weight babies:	No target	Quarterly reporting

	Percentage of infants that were premature (before 37 weeks gestation): Percent of babies of low birth weight (under 2500g) at term		
	Percent of babies of low birth weight (under 2500g) at term a) 6 weeks infancy b) 6 months infancy c) 12 months infancy	No target	Quarterly reporting
	Non-completion rate of all recommended immunisations (written record and mother's self-report): a) 6 months infancy b) 12 months infancy c) 24 months infancy	No target	Quarterly reporting
	Percentage of infants being breastfed at i) New Birth Visit ii) 6-8 weeks	90% NBV 70% 6-8 weeks	Quarterly provider performance report
	Percentage of mothers offered a Body Mass Index assessment at 6-8 weeks	95% target	Quarterly provider performance report
	Percentage of mothers whose smoking status is recorded at i) New Birth Visit (NBV) ii) 6-8 weeks	95% target	Quarterly provider performance report
	Percentage of mothers who received a Maternal Mood review at the New birth visit (by 21 days)	95% target	Quarterly provider performance report
	Percentage of women who receive a routine enquiry about domestic violence at the antenatal contact	95% target	Quarterly provider performance report

	No. of new CAFs completed by Practitioners in the month	60 CAFs target	Quarterly provider performance report
	HV engagement with safeguarding supervision	90% target	Quarterly provider performance report



TITLE OF REPORT Kings Hall Leisure Centre Design Team Services Contract Award CONTRACT APPROVAL Key Decision No. FCR S126	
CPIC MEETING DATE 3 October 2022	CLASSIFICATION: Open with exempt appendix If exempt, the reason will be listed in the main body of this report.
WARD(S) AFFECTED Homerton	
CABINET MEMBER Philip Glanville, Mayor of Hackney	
KEY DECISION Yes REASON Spending/or saving	
GROUP DIRECTOR Ian Williams, Group Director for Finance & Corporate Resources	

1. CABINET MEMBER'S INTRODUCTION

- 1.1. This report focuses on taking forward commitments made in this administration's manifesto with regard to safeguard the immediate and long term future of Kings Hall Leisure Centre (KHLC) and eventual full refurbishment.
- 1.2. The Council has long recognised the impact that sport and physical activity can have on the achievement of its priorities and since 2005 has made improvements to both the quality and operation of its sport and leisure facilities all across the borough. Since the Olympics in 2012, Hackney residents have become more active: from 6th most inactive borough in London in 2012 to 19th most inactive borough in 2022, one of only two boroughs to make such progress.
- 1.3. To ensure we continue to improve sport and physical activity opportunities for residents we need to make decisions about how our leisure facilities continue to meet the demands and expectations of the community, within the context of a growing population and reducing resources. We have already done this with the development of the new Britannia Leisure Centre that opened in June 2021; investment in London Fields Lido, Clissold Leisure Centre and the West Reservoir Centre; and we now need to turn our attention to securing the future of Kings Hall Leisure Centre (KHLC).
- 1.4. KHLC is an important social and historic landmark for the borough and an important component of the borough's overall leisure provision. However, the condition of KHLC continues to deteriorate, with the building in a poor condition, repair costs rising rapidly and the integrity of the building worsening. Reflecting this, the administration made a commitment in its 2018 Manifesto to "develop plans to ensure that Kings Hall Leisure Centre continues to meet the needs of residents in the east of the borough for the future." This reflected that doing nothing is simply not an option nor can we keep patching up this valuable community asset. We also know that in recent memory similar challenges were faced at Haggerston Baths and we are determined to make decisions now that will ensure KHLC remains open. We are therefore delighted to bring forward proposals to develop clear plans for what a refurbished KHLC will look like and how it will serve Homerton, Clapton and all Hackney residents, alongside accurate estimates for what it will cost in order to inform future decision making. We are determined, even in the context of significant financial challenges, to continue to prioritise investment in much-loved local leisure facilities like KHLC that attracts approximately 380,000 visits annually.
- 1.5. I commend the procurement approach taken to ensure that the delivery of this project advances with expediency through the Pagabo Framework, with a team with a proven track record and knowledge of the challenges

associated with the KHLC, and a strong commitment to delivering Social Value through the delivery of the contract.

2. GROUP DIRECTOR'S INTRODUCTION

- 2.1. This report sets out the business case for, and contract award of design services to support the delivery of the KHLC refurbishment project. Services which are required in order to inform the Council's broader decision making in relation to the financial business case for the refurbishment project, and how the Council will deliver upon its manifesto commitments.
- 2.2. As a project which is both of great community interest, and of technical complexity (due to its current state of repair, and Grade II Listed status), this project will be brought to Cabinet in order to approve the financial business case and procurement approach for the project. This is currently anticipated to be at the beginning of 2024. As part of this, there is a need to consider the overall budgetary commitment to this scheme as part of the Council's overall capital strategy and priorities.
- 2.3. In advance of this further scrutiny, the cost of these design Services is within the budget envelope presented and approved by Cabinet in July 2021 for this initial phase of design and planning preparations.

3. RECOMMENDATION(S)

Cabinet Procurement and Insourcing Committee is recommended to:

(a) Award the contract for core Design Team Services for Kings Hall Leisure Centre (KHLC) refurbishment project to Supplier A by way of a call off from the Pagabo Professional Services Framework Lot 1 (OJEU - 2020/S 079-187629) in line with the fee set out in Exempt Appendix A - Tender Detail, and

(b) Enter into a call off contract and any other ancillary legal documentation necessary relating thereto with Supplier A 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.

4. RELATED DECISIONS

- 4.1. Cabinet Budgetary Approval - FCR R78 Capital Update Report dated 19 July 2021.

5. REASONS FOR DECISION/OPTIONS APPRAISAL.

- 5.1 This joint business case/contract award report sets out the reason for recommending and awarding a direct contract award for design Services for the Kings Hall Leisure Centre (KHLC) refurbishment project to Supplier A (as the lead multidisciplinary consultant) via the Pagabo framework.
- 5.2 As set out in the Cabinet Capital Update Report on 19 July 2021, the KHLC is in urgent need of both repairs (to ensure its continued safe operation), and permanent refurbishment works to continue to meet the needs of residents and deliver upon 2018 manifesto commitments. As a much loved community asset and Grade II Listed building, there is an urgent need to progress feasibility level designs to a level of due diligence which will enable the Council to robustly consider a financial business case for its refurbishment. Budgetary approval for this financial commitment was considered and approved by Cabinet in July 2021. The focus since then has been on emergency structural and roof repairs to keep the centre safe and operational. This report now recommends the appointment of a team to drive forward the refurbishment project from feasibility level to Stage 3 design/planning submission.
- 5.3 The key drivers for the delivery of the project are to ensure it is: Expedient, Experienced, Confident and delivers Best Value. The procurement of the team to drive this forward thus also needs to demonstrate these traits.
- 5.4 A feasibility study was completed in 2018 by a consultant team appointed via the Pagabo framework, with Supplier A appointed as the lead multidisciplinary consultant. The Pagabo framework allows a bespoke team to be scoped and engaged, responding to the specific nature of the challenges presented by an historic Grade II Listed building. Value for Money has been demonstrated through the original framework procurement approach and continues to be demonstrated through benchmarking of fees against other similar projects; in this case, the refurbishment of wet leisure facilities within Grade II Listed buildings.
- 5.5 The feasibility team, led by Supplier A, included all of the core disciplines, including the project manager, architect, and MEP/Pool Engineer who delivered the award winning Britannia Leisure Centre. Given the complexity of the KHLC scheme, and the need to understand the existing structural and condition status of the building fabric/constraints, the continuity of this feasibility stage team is key to ensuring delivery in line with our key drivers. This core team includes the following disciplines:
- Project Manager
 - Cost Consultant & Principal Designer (CDC Regs)
 - Architect and Design Lead
 - Civil and Structural Engineer
 - MEP Engineer
 - Pool Consultant

- Planning Consultant

5.6 Given the importance of Heritage advice to the success of the scheme's delivery, a Heritage Consultant has also been nominated as part of this appointment and further details are provided in Exempt Appendix A.

5.7 An aligned requirement of the commission is to be able to ensure a coherent and coordinated approach to remedial works which are required in advance of the refurbishment project. This is to ensure that surveys are shared and inform both remedial and refurbishment decisions, and that abortive remedial works are kept to a minimum. As existing contracts recommend works to be undertaken, these will be scoped in conjunction with the refurbishment team - as variations to the base contract.

5.8 **ALTERNATIVE OPTIONS (CONSIDERED AND REJECTED)**

5.8.1 Multidisciplinary design team services are required in order to deliver the outcomes of the KHLC refurbishment project. As such a 'Do Nothing' option is not a viable option. The tender proposal sets out a clear methodology and benchmarked fee to carry out the services. As such, there is no reason why the services should not progress to be awarded in line with this outcome.

6. **PROJECT PROGRESS**

6.1. **Developments since the Business Case approval.** As a joint Business Case/Contract Award report, This report recommends the appointment of a core design team to progress feasibility Option 5 - 'Max Wet' to Stage 3 design and planning submission. This moves the project from feasibility, through concept design (Stage 2) and Spatial Coordination (Stage 3), in readiness to submit a planning application. The fee proposal also gives core team fees for Stages 4 (Technical Design) to Stage 7 (Use), excluding Stages 5 to 7 for the architect and civil and structural engineer - who will be novated to the successful contractor. The initial instruction will be to complete Stage 2 and Stage 3 design and prepare for planning; the project will then be taken to Cabinet in order to approve the financial business case, contractor procurement route, and update on resident engagement prior to instructing the team to submit a planning application and move forward to the Stage 4 technical design and contractor procurement phase.

6.2. **Whole Life Costing/Budget.** As set out in the financial comments section, funding for this project has been secured for the first phase of design (to Stage 3 / planning). This design will enable the project to be technically presented to a stage where a robust cost financial business case can be presented to Cabinet for approval, including moving to Stage 4 design and contractor procurement. The design team will consider whole life

costs in the specification of the refurbishment project; the financial business case will also consider whole life costs as part of the investment decision being presented.

- 6.3. **SAVINGS.** This report relates to the development of a capital project, which is required to address ongoing maintenance issues with an historic community asset. The project will work to minimise nugatory spend on the asset prior to these refurbishment works, through a coordinated approach in relation to surveys and interim remedial works.

7. **SUSTAINABILITY ISSUES** As part of the proposal required from the direct call off tender, Supplier A was required to consider the Council's Sustainable Procurement Strategy and propose Social Value outcomes as part of their proposal. Key elements are highlighted below:

7.1. **Procuring Green**

Building on corporate sustainability principles of: a society for our future; an environment with a future; and a responsible business of the future. Supplier A set out that one way this is achieved is by setting high carbon emission reduction standards, e.g. being a carbon neutral business, committed to science-based targets to be net zero carbon by 2030. UK Green Building Council (UKGBC) gold members. In relation to the KHLIC project, the team will ensure that at briefing stage there are defined and agreed targets for realising the project's Net Zero Carbon (NZC) objectives. Carbon budgets will be provided for key elements of the design packages, and a contractor briefing package outlining the project's NZC design and aspirations. There will be monthly reporting against the carbon budget and project briefing document. On conclusion of the project, a final carbon statement, assessing output against the initial project aspirations, as well as a post occupancy evaluation report expanding on whole life carbon impacts.

7.2. **Procuring for a Better Society**

Supplier A has committed to resourcing a dedicated social value consultant who will liaise with the Authority and stakeholders and coordinate the volunteering hours of the extended team. Using a corporate Social Value methodology, governance, and Themes, Outcomes and Measures (TOMs) Framework guidance to define what constitutes social value evidence, this role will produce a quarterly report which includes a dashboard that shows:

- Social Value created by Theme
- Total Social Value created (£ Social Value Add)
- Case studies of Social Value created showing the quantified social impact of each social value activity

Supplier A has also submitted a specific Social Value proposition for the engagement, which is set out below. This follows National TOMs' themes and measures and will be monitored as a Key Performance Indicator in line with the timelines presented for each theme.

National TOMs' Themes	JOBS <i>Promote Local Skills & Employment</i>		GROWTH <i>Supporting Growth of Responsible Regional Business</i>		SOCIAL <i>Healthier, Safer, and more Resilient Communities</i>		ENVIRONMENT <i>Decarbonising & Safeguarding our World</i>	
National TOMs' Measures	What	X 1 new local hire (FTE) on the contract	What	Engage with x4 SMEs/MSMEs per year to deliver business support	What	x16 staff hours on the contract for Community engagement for the project	What	x1 session of 1 hour per year to support x4 SMEs to work towards carbon neutrality
	How	In collaboration with our supply chain	How	via The Hackney Business Network	How	via Volunteer Centre Hackney	How	via The Hackney Business Network
	When	over the duration of contract	When	Throughout the contract	When	Throughout the contract	When	Annually
	What	x4 staff hours per quarter to support jobseekers with LinkedIn training, CV writing guidance, interview preparation and mock interviews	What	Engage with x4 VCFSEs per year to deliver business support	What	x16 staff hours on the contract Communications support to educate on benefits of sports and wellbeing	What	x1 session of 1 hour per year to support x4 VCFSEs to work towards carbon neutrality
	How	via LB Hackney's JCP	How	via Volunteer Centre Hackney	How	via LB Hackney Council	How	via Volunteer Centre Hackney
	When	every quarter	When	Throughout the contract	When	Throughout the contract	When	Annually
	What	x8 staff hours per year of Built Environment Career talks in schools & colleges	What	Create new opportunities via x1 meet the buyer event per year for the local supply chain	What	x8 volunteering staff hours per year to encourage utilisation of newly created leisure centre	What	x8 Volunteering staff hours per year with community's sustainability projects
	How	Via LB Hackney colleges	How	via The Hackney Business Network	How	LB Hackney Council	How	via Volunteer Centre Hackney
	When	Annually	When	Annually	When	Annually	When	Annually
	What	x32 staff hours per year spent on school and college visits delivering talks on ED&I, Carbon Literacy	What	Promote Sports & Health & wellbeing at work sessions/workshops to x8 SMEs per year	What	x8 volunteering staff hours per year on sports & wellbeing community projects		
	How	LB Hackney schools & colleges	How	via The Hackney Business Network	How	via Volunteer Centre Hackney		
	When	Annually	When	Annually	When	Annually		
	What	x5 Work placements on the contract	What	x4 one-hour sessions per year of ED&I awareness across the supply chain	What	£500 Sponsorship of sporting events		
	How	via Hackney Opportunities	How	via The Hackney Business Network	How	via LB Hackney Council		
	When	Throughout the contract	When	Annually	When	Annually		

7.3. Procuring Fair Delivery

Supplier A's UK & Europe ED&I Strategy for 2021-2023 is 'Different Makes a Difference'. This Strategy was developed to demonstrate their commitment to cultivating a diverse and inclusive work environment in the UK & Europe. The three themes which come under this are: 'Weave ED&I Into Everything We Do; Remove Barriers Every Step of the Way; and Become a Leading Voice for Change'. In relation to the KHLC project, Supplier A recognises that to provide the best innovative service they need to have diverse representation across their internal team structure and project teams. The team for KHLC will be reviewed with their National ED&I Lead. All staff are paid above the London Living Wage, and a worldwide company policy is in place for tackling modern slavery and human trafficking.

7.4. Equality Impact Assessment and Equality Issues:

The quality of facilities at KHLC will be greatly enhanced through the refurbishment project, with a key consideration of the design team in the first phase of the project being to enhance the accessibility of the facilities being provided, enabling broader access and enjoyment for all.

8. ALTERNATIVE OPTIONS (CONSIDERED AND REJECTED)

8.1. The options which were considered by way of a procurement route were to issue a Find a Tender Service (FTS) notice or to progress with a mini tender via an appropriate Framework route. Pros and Cons of each route were considered, with the main pros of the direct award route being as follows:

- Compliant with Public Contract Regulations
- Shortest timeline to procure – 2 to 3 months
- Experienced and proven team prequalified and identified

- Continuity / expediency of maintaining team who carried out the feasibility work
- Concurrent addressing of existing condition issues with refurbishment development (given expediency to get onboard)

8.2. The main cons of both the FTS and Framework mini competition route were as follows (with the FTS taking longer than the mini competition route):

- Timeline to procure
- Additional time required to assess market appetite/available frameworks and soft market test
- Knowledge/Continuity of feasibility team likely to be lost
- Delays and/or splits the concurrent addressing of existing condition issues with refurbishment development

8.3. Each of the routes were scored on a Red/Amber/Green basis against the delivery drivers for the project, with the direct award via Pagabo being the most advantageous route for this specific project.

Option	Expedient	Experienced	Confident	Best Value
FTS Tender				
Framework (mini comp)				
Pagabo Framework (direct award)				

8.4. Given the specialist nature of the design team services, insourcing is not an appropriate route given the current structure and capabilities within the Council.

9. TENDER EVALUATION

9.1. **Evaluation:** Supplier A was invited to submit a proposal in response to an invitation to tender document which was issued on 17 August 22. A tender response was received by the deadline date of 12 September 22, and has been reviewed by the Project Director in order to confirm it meets the requirements of the brief. In particular, the tender responds to the Council's requirements in the following areas:

- 9.1.1. The Delivery Approach - Supplier A set out their approach to Gateway Approvals, Supply Chain Management, Procurement of Surveys / Non-Core Services, and Social Value.
- 9.1.2. Proposed Company Profiles - Setting out the approach and experience of each company proposed as part of the core design team. This drew out corporate experience of delivering leisure facilities, and specifically wet leisure facilities, in complex Local Authority stakeholder environments. It also set out corporate experience of delivering leisure facilities using sustainable and low carbon technologies and within historic buildings.
- 9.1.3. Organogram and Team Structure (incl. CVs) - As well as demonstrating corporate experience, the proposal set out a clear organogram, setting out how the team would be managed and linked into the Council's governance and management structure. CVs for key team members were provided, further evidencing the capability and relevant experience of the proposed team. Recent experience of the team includes: Dover District Leisure Centre, Britannia Leisure Centre, Kirby Leisure Centre, Princes Parade Leisure Centre, The Bridge, Tides Leisure Centre, Sovereign Leisure Centre, and the Kings Hall Leisure Centre feasibility study.
- 9.1.4. Programme - A programme was submitted, which was split into two Phases; the first being the Pre Planning Stage (Stage 2 and 3 design); the second being the Post Planning Stage. The programme is based on a 2-stage design approach to the contractor procurement, and the requirement to secure Cabinet sign off prior to submitting planning and progressing to the Post Planning Stage of the project.
- 9.1.5. Sustainable Procurement Strategy (SPS) - as set out paragraph 7 of this report, Supplier A submitted a comprehensive SPS response and engagement specific Social Value plan.
- 9.1.6. Approach to Digital Modelling and Data Capture - Supplier A evidenced their experience of and approach to delivering digital modelling through the design stages of the procurement, and in particular, how data capture from surveys would be specified and delivered in a way which could be brought into the project digital model. Supplier A's approach to digital modelling was exemplified through a case study on how this was approached on the Britannia Leisure Centre.
- 9.1.7. Fee Proposal and Benchmarking - a fixed price lump sum bid was submitted for the core design team services, and has been broken down by design stage. The fee assumes an initial instruction for the Pre Planning phase and a subsequent

instruction to progress to the Post Planning phase. Fees for novated consultants (architect and civil & structural engineer) are excluded from the Pagabo forecast fee for stages 5-7. Fees were broken down by discipline, stage, staff grade, and Pagabo day rate. Supplier A also submitted fee benchmarking data. Against an estimated construction value of circa £35m, estimated design team and survey fees for the delivery of the whole project to Stage 7 are estimated at 15% (including a 15% contingency). This benchmarks acceptably against available data for six other relevant leisure and/or listed building projects, which have a high of 20.2% and an average of 16.8%. In relation to the benchmarking of the specific services being procured through this contract award, the combined fee % of 11.1% is below average; being higher (as would be expected) for Building Services and Structural & Civil Engineer. Given the feasibility option and condition of the structure; these fees seem of an appropriate level.

- 9.1.8. Project Experience - Supplier A provided a number of relevant case studies to back up the individual and joint experience of the proposed team. These included: Seymour Leisure Centre, Britannia Leisure Centre, Kingston Leisure Centre, Ironmonger Row Baths, and Kentish Town Sports Centre.

- 9.2. **Recommendation:** It is recommended to award the contract to Supplier A as a direct call off from the Pagabo Professional Services Framework. The bid has been evaluated to ensure that it meets the requirements of the brief and can demonstrate value for money. The proposal covered all of the required areas, and sets out how the lump sum fixed price was built up, and how this benchmarks against other projects of a similar nature and scale.

- 9.3. The submitted fee:

Core Design Team	Lump Sum Fixed Price* (Stages 2 to 3) *Initial Instruction - Spend approval in place	Lump Sum Fixed Price** (Stages 4 to 7) **Spend subject to future Cabinet approval	Total (Core Team)
Supplier A	£1,419,248.90	£1,950,829.50	£3,370,078.40

- 9.4. Further detail is provided at Exempt Appendix A in relation to the breakdown of the fee. This also includes clarity on the schedule of rates which has been

used to build up discipline fees, and would be applied to any variation, e.g. in relation to any support relating to remedial surveys and works.

10. CONTRACT MANAGEMENT ARRANGEMENTS

- 10.1. **Resources and Project Management (Roles and Responsibilities):** The KHLC refurbishment project is led and project managed under the same governance arrangements which were put in place to deliver the Britannia Masterplan. The leadership of this team is procured via a Consultancy Agreement which is in place through the Local Education Partnership (LEP), which ensures continuity of resource, and agreed call off rates and scope of services.
- 10.2. The Project Director is responsible to the Senior Responsible Officer (SRO), Group Director Finance & Corporate Resources, and the KHLC project Board for the delivery of the project, supported during the design and planning phase of the project by the following core team:
- PMO Officer - LBH
 - Procurement Category Lead and Coordinator - LBH
- 10.3. **Key Performance Indicators:** The Key Performance Indicators for the project are as follows:

Main KPI Target Set	Monitoring
1. Completion of Stage Reports (Stages 2 and 3)	At the end of each design stage, formalised by a Stage approval letter
2.Completion of Stage 4 Report (subject to separate instruction)	
3.Submission and successful determination of Detailed Planning Submission	Following SRO approval to submit (post Cabinet update)
4.Delivery against Social Value Plan commitments	As set out in the Social Value Plan by Theme
5.Progress and Delivery of procurement recommendation report in relation to a D&B Contractor	Monthly, during procurement stage of the programme
6.Support in delivering the Council's stakeholder and engagement plan for the project	Monthly, as part of routine project management

Main KPI Target Set	Monitoring
7.Support in the procurement of additional consultants and surveys to enable the delivery of the programme.	Monthly, as part of routine project management

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

- 11.1. This report sets out a business case and procurement recommendation for the appointment of design team services to support the progression of the KHLC refurbishment project. A fixed price lump sum proposal has been sought, which is split into a Pre Planning and Post Planning phase.
- 11.2. In the July 2021 Capital Update, Cabinet resolved:
- “Approve £2.25m in the 2021/22 capital programme and give spend approval for the same to appoint a design team to both manage the remedial works programme (including surveys) and develop a design to RIBA Stage 3 (to submit a planning application) for the potential refurbishment of KHLC”*
- 11.3. Whilst expenditure has been incurred against Cabinet’s other approvals in relation to remedial works and surveys on Kings Hall Leisure Centre, no expenditure has yet been committed against the £2.25m to appoint the design team.
- 11.4. The initial instruction as a result of this procurement award will be to develop the design to Stage 3, in readiness to submit planning. Supplier A has submitted a fixed price lump sum fee of £1,419,248.90 for this pre planning phase.
- 11.5. As part of this pre planning phase, the indicative project budget produced by Supplier A as part of the tender, will be reviewed and tested, prior to being presented to Cabinet as part of a financial business case update. Whilst additional services will be procured and fees will be incurred in order to carry out this Pre Planning phase, these will need to be kept within this overall budget cap pending further due diligence and spend approval being granted.
- 11.6. The report only provides approval for initial instruction to develop the design to Stage 3. Supplier A fixed price lump sum fee of £1.4m for this pre planning phase, will be fully funded from the existing budget of £2.25m.
- 11.7. This contract award also includes a fixed price lump sum fee for the post planning phase (Stage 4 to 7) for the core design team. This is for the sum of £1,950,829.50, bringing the total engagement lump sum to £3,370,078.40. This is based on a four year programme, commencing in November 2022.

Further Cabinet approval will be requested before progressing to the post planning phase (Stage 4 to 7).

12. VAT Implications on Land & Property Transactions

N/A

13. COMMENTS OF THE DIRECTOR, LEGAL, DEMOCRATIC & ELECTORAL SERVICES

- 13.1. The contract in this Report was assessed as Low Risk. Paragraph 2.5.3 of Contract Standing Orders states that, in respect of procurements with a risk assessment of “Low Risk”, Cabinet Procurement and Insourcing Committee will determine the award of contracts above the value of £2m. The estimated maximum value of the contract in this Report is above £2m so therefore Cabinet Procurement and Insourcing Committee can agree the recommendations in this Report.
- 13.2. Details of the procurement process undertaken by officers are set out in this report.

14. COMMENTS OF THE PROCUREMENT CATEGORY LEAD

- 14.1. This report provides the Cabinet Procurement and Insourcing Committee with the outcome of a direct award procurement exercise via Lot 1 - Complete Service Solutions - of the Pagabo Professional Services Framework (OJEU reference 2020/S 079-187629.)
- 14.2. Supplier A will act as multidisciplinary lead consultant, providing core design services to progress the Kings Hall Leisure Centre (KHLC) refurbishment project from Stage 2 to Stage 7 design.
- 14.3. The proposed award is supported on the basis that Supplier A has submitted a proposal which meets the brief and cost requirements of the Council. Supplier A has also demonstrated a clear understanding of the Council's commitment to deliver sustainability and social value outcomes, and submitted a proposal which, together with their supply chain, meets the Council's expectations in this regard.
- 14.4. The direct award off a framework allows for relevant supplier checks and service quality assessments to be undertaken. Additionally, the competitive exercise undertaken for the supplier's appointment to the framework has provided competition and would evidence value for money.

APPENDICES

Exempt Appendix A - Tender Detail

EXEMPT

By Virtue of Paragraph(s) 3 Part 1 of schedule 12A of the Local Government Act 1972 this report and/or appendix 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.

CONFIDENTIAL

N/A

BACKGROUND PAPERS

In accordance with The Local Authorities (Executive Arrangements) (Meetings and Access to Information) England Regulations 2012 publication of Background Papers used in the preparation of reports is required

Description of document (or None)

None

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UPDATE TO CABINET PROCUREMENT & INSOURCING COMMITTEE

Insourcing Annual Briefing Report

BRIEFING / INFORMATION

Title of Report: CPIC Insourcing Gully Cleansing and Winter Maintenance

Key Decision No:

CPIC meeting date:

3rd October 2022

Classification:

If exempt, the reason will be listed in the main body of this report.

WARD(S) AFFECTED

All

CABINET MEMBER

Cllr Mete Coban

GROUP DIRECTOR

Rickardo Hyatt

1. INTRODUCTION

- 1.1. This report updates on Gully Cleansing and Winter Maintenance following the insourcing of these two service areas on 1st April 2020 and 1st October 2020 respectively.

Gully Cleansing

- 1.2. The contract for Gully Cleansing moved in-house on 1st April 2020. The operation of the Service is relatively simple and requires a single gully cleansing vehicle, 2 operating staff and performance management software. None of these were transferred over with the contract. As such, a new vehicle was purchased, current staff were trained up to operate the vehicle, and the existing mobile application (Alloy), used by Sustainability and Environment (S&E) was configured to manage performance. Streetscene's Highways Team (a dedicated Highways Inspector) is responsible for the gully inspections and monitoring, which contributes to wider Streetscene gully pot replacement and frame cover programmes. Streetscene also investigates any surface flooding across the Borough.

Winter Maintenance

- 1.3. The contract for Winter Maintenance moved in-house on 1st October 2020. Again the operation of the Service is relatively simple; the Service is called out at the request of the Streetscene Highways Team based on weather reports, and the operation requires two gritting vehicles, consumables (salt) and operating staff. These were not transferred over with the contract and as such new vehicles were purchased and staff were trained to operate the vehicle.

2. MOBILISATION UPDATE

Gully Cleansing

- 2.1. Mobilisation of the Gully Cleansing contract required some very intensive data cleansing work in the first few months of the contract. The geographical data provided from the previous contract was unreliable, with the geo-location of gullies significantly inaccurate and thousands of gully points duplicated.
- 2.2. The locations of the gullies were first loaded into Alloy, then circa 14,000 gully locations were visited and the location and description data corrected on the system. This piece of work was resource intensive and took 9 months to complete. This has resulted in a very clean and accurate dataset that the cleansing crews now work with.

Winter Maintenance

- 2.3. There were no issues with the mobilisation of the Winter Maintenance service. Vehicles and consumables are stored at Millfields Depot.

3. VARIATIONS

Gully Cleansing

- 3.1. There were no variations to the planned operation of the Service.

Winter Maintenance

- 3.2. There were no variations to the planned operation of the Service.

4. FINANCIAL CONSIDERATIONS

Gully Cleansing

- 4.1. Volker Highways Ltd subcontracted the Gully Cleansing service. The contract value for the gully cleansing was £200k prior to the Service moving in-house. That contract included:
- cleansing all gullies once per year (provided they could be accessed)
 - digging out of blocked gullies and jetting where necessary
 - revisits to inaccessible gullies (if time permitted)
 - referral of broken grates to Streetscene (budget for replacement grates and other infrastructure works held and managed by Streetscene)
 - referral of broken frames & covers to Streetscene
 - cleansing of markets gullies (minimum of once every 3 months)
 - disposal of waste
- 4.2. Emergency call outs were charged at an hourly rate and incurred a minimum 4-hour call out charge of £1,400 (often the trained operatives could take hours to attend the site). However, this service was not part of the core service within the original Volkers contract and was extremely rare; 3-5 callouts over 5 years.
- 4.3. It was forecast that moving the Service in-house could save circa. £50k (including £20k/yr depreciation costs of the new vehicle which was purchased for £100k from the capital budget). The budget for 21/22 (year 1) was therefore set at £152k. The final year outturn was £130k (although it should be noted that the staff costs of the data cleansing exercise were picked up through other S&E budgets).
- 4.4. In year 2 the budget is set at £164k to account for a pay grade adjustment and also inflation on all salary related costs related to the pay award.

Winter Maintenance

- 4.5. The contract with Volker Highways consisted of a £100,000 a year standby payment and then a call out charge (based on per kilometre gritted) at an agreed rate. The proposal was that a significant part of that £100k could be saved moving the Service in-house, factoring in that the service would be set up from scratch, therefore requiring initial capital outlay.
- 4.6. The budget for Year 1 was set at £60k and the final outturn was £30.5k. Given that we are only in the second year of operation and winter maintenance costs are to a large degree dictated by the weather, the budget was again set at £60k for Year 2.

5. MANAGEMENT ARRANGEMENTS AND INSOURCED KPIS

Gully Cleansing

- 5.1. The management of the Service moved under an Area Manager within the S&E, and falls within the remit of the Borough Operations Manager. The team is further supported by a Streetscene Highway Inspector who is responsible for the gully inspections and monitoring, provides advice to the crew, coordinates the delivery of gully pot and frame replacements including replacement and additional connections, supports emergency response and investigates flooding.
- 5.2. All call outs go through the Highways Inspector via the Mayrise system. Environmental Operations complete the job and feed back to Highways for sign off.
- 5.3. In relation to performance, after a slow start (the Service initially started using a paper-based system whilst the data cleansing exercise got underway, and staff had to undertake training and gain experience in using the gully vehicle), the Service got up to speed and within 6 months has substantially improved the condition of the gullies from the previous contract. This has included cleaning every gully in the Borough; some, it would appear, hadn't been cleaned for many years due to the amount of detritus and weed growth in them.
- 5.4. The main advantages of the in-house service over the out-sourced service are:
 - The response time is much quicker; the operational element of S&E is a 24/7 service and several members of staff have been trained to use the gully equipment. Therefore there is often someone working that is able to attend to emergency call outs (and if not, many of the operational team live locally).
 - In the previous contract emergency response could be very slow at weekends. Again S&E is a 24/7 service and can respond at weekends.
 - There is no minimum call out charge with the in-house contract.
 - The response to emergency call outs can include the assistance of mechanical brooms (S&E have 7 machines), which can help remove water and allow better access to the gullies for the gully crew.
 - Markets are now cleaned more regularly by taking advantage of the crews availability in early mornings and weekends.
 - Working more flexible hours means that gullies could be accessed that are usually inaccessible (the crews reported that during the first year they were digging out many gullies that must not have been accessed for a number of years including easily accessible pots).
- 5.5. Gully cleansing schedule and performance for 2021/22 is detailed in the table below.

Table 1 Gully Cleaning Service Schedule and Performance

Ward	Scheduled	Completed
Lea Bridge	April	100 %
Dalston	May	100 %
London Fields	May / June	100 %
Springfield	June	100 %
Hackney Wick	July	100 %
Kings Park	July	100 %
Shacklewell	August	100 %
De Beauvoir	August	100 %
Hackney Central	September	100 %
Hoxton East and Shoreditch	September / October	100 %
Stoke Newington	October	100 %
Hoxton West	October / November	100 %
Woodberry Down	November	100 %
Brownswood	November	100 %
Cazenove	December	100 %
Stamford Hill West	December	100 %
Clissold	January	100 %
Hackney Downs	January	100 %
Victoria	February	100 %
Haggerston	February / March	100 %
Homerton	March	100 %

Winter Maintenance

- 5.6. The management of the Service moved under an Area Manager within S&E, and now falls under the remit of the Borough Operations Manager.
- 5.7. There is a two hour response time to mobilise the Service, and by bringing the Service in house, this has been met well within that time. During the 2021/22 season, six callouts were received. The worksheets are issued with a time that the temperature is expected to cross zero degrees and the time that the crews need to be deployed. All callouts were met within that timeframe.
- 5.8. This has been significantly helped by the Service being located in the Borough and as S&E operates a 24/7 service, there are trained operatives on site to mobilise the Service quickly.
- 5.9. The added benefit of this service being brought in house is that the Service has developed a knowledge base of where there could be particular issues that fall outside of any official callout being made. An example is one Low

Traffic Neighbourhood; as the planters are not sealed units, water leaks out, and this extra layer of water freezes, causing an issue for cyclists, some of which came off their bikes. The Service is now aware of this localised issue, and in the future will be proactive and ensure that this is gritted.

6. SUSTAINABILITY OUTCOMES

Procuring Green	<ul style="list-style-type: none">- The service is now local meaning that gully workers, particularly emergency responders, are not travelling miles to attend site
Procuring for Better Society	<ul style="list-style-type: none">- Gullies that require more regular servicing, for example markets, are now receiving it, therefore creating more pleasant public spaces- The gullies team can use contacts, information and data from other services and stakeholders to provide a better and more efficient service (such as targeting historically problematic sites to reduce localised flooding)- Provision of a more localised service enables a quicker response time when called upon- The service is based and delivered in Hackney, therefore bringing economic activity into the area, and the potential for local employment- Payment of London Living Wage
Procuring for Fair Delivery	<ul style="list-style-type: none">- Gully cleansing now provides work for 2 x full time equivalents (plus overtime for emergency out of hours call outs)- Hackney can target areas of the Borough previously under cleansed (for example, working with Parking to access historically problematic sites)

7. LESSONS LEARNT

- 7.1. The level of work required to cleanse the gully data was not anticipated, but fortunately resources were able to be reallocated to this project for the required 9 months. Without this resource the service would have been relying on the crews to correct the data; this would have slowed them down significantly and the mobilisation would have taken much longer.
- 7.2. There were concerns initially as to whether to move the service onto the digital management tool, Alloy, at the beginning of the in-house contract, or to use a paper-based system until the crews were up-to-speed. The data cleanse was started and once the concept of using Alloy was demonstrated with clean data, any concerns were alleviated, and all were confident Alloy was the best approach to take.

8. NEXT STEPS

- 8.1. Officers are considering how the Service can be more proactive in terms of preventing issues from occurring in the first instance. Officers are currently

working on setting up an automated data transfer from Alloy to Qlik, the corporate business data analysis tool. It is hoped that visualisation of the data may help with the following benefits:

- Identify when productivity is at its lowest and establish the reason behind this;
- Map the emergency call-outs and schedule routine cleans of gullies in areas more prone to flood;
- Map missed gullies and work with parking to gain access to gullies in most need of cleaning.

9. FINANCE COMMENTS

Gully Cleansing

- 9.1. In the first 2 years of operation the costs have been well within the allocated budgets set. Based on current performance and service needs this is unlikely to change. However, with the cost of living crisis and high fuel costs all Council services will be impacted and as such careful monitoring is essential going forward.

Winter Maintenance

- 9.2. The Service has run within the operating budget set, and has run smoothly over the past 18 months. A budget of £60k was transferred over after taking into account a provision of £40k towards replacing the vehicle. There has however, been very mild winters since the Service has been insourced, and should this continue then it is not anticipated that there will be any overspends in the service budget. A severe winter, as well as the points mentioned above around cost of living and fuel costs increasing, may impact on the current operating budget. However, there is a winter maintenance reserve to cover additional expenses in that instance, and additional funding with regards to the fuel costs is being discussed corporately.

10. HR COMMENTS

- 10.1. Other than to thank those staff involved not only at the earlier stages of bringing the services in house but also those staff currently involved in delivering these services, there are no other HR comments for the purposes of this report.

11. PROCUREMENT COMMENTS

- 11.1. The mobilisation of the Winter Maintenance service was successfully completed as planned. The mobilisation of the Gully Cleansing service was also successfully completed. Additional data cleansing work was required but this was completed from within existing resources and has resulted in service delivery improvements.
- 11.2. Both services are currently achieving their performance targets. The insourcing of the Gully Cleansing service has led to a number of performance improvements such as the more frequent cleaning of markets and quicker

response times to emergency call outs. The Winter Maintenance service has benefited from being located within the Borough. Further improvements are planned as part of next steps.

- 11.3. Both services have successfully been delivered from within their operational budgets to date. However, additional financial pressures have been identified in relation to the cost of living, fuel costs and for the Winter Maintenance service, the impact of a severe winter.

APPENDICES

None.

EXEMPT APPENDICES

None.

CONFIDENTIAL

N/a.

BACKGROUND PAPERS

None.

Description of document (or None)

None.

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Title of Report	UPDATE TO CABINET PROCUREMENT & INSOURCING COMMITTEE Insourcing Annual Briefing Report - Note only.
Key Decision No	N/A
CPC Meeting Date	CPIC meeting date: 5 September 2022
Classification	None
Ward(s) Affected	Lea Bridge, Stoke Newington/Clissold, Haggerston, Homerton, Springfield, Shacklewell, Hackney Wick and Hackney Downs
Cabinet Member	Cllr Bramble
Key Decision	N/A
Group Director	Ian Williams

1. CABINET MEMBER'S INTRODUCTION

INTRODUCTION

Due to the departure of our FM contractor Kier, we were forced to make alternative arrangements for the cleaning services provision to our BSF schools. Whilst the legal compliance services continued to be contracted out, it was decided that, in line with council aspirations, we would bring the cleaning services in-house which was duly undertaken

GROUP DIRECTOR'S INTRODUCTION / Not Applicable

This report is for historic information only and requires no decision making. The document is self explanatory and to be kept as a file note only.

RECOMMENDATION(S) None - Information only

2. MOBILISATION UPDATE

Kier provided LBH with the required Employer Liability Information (ELI), albeit not of a particularly high quality, to enable all cleaning staff to be

transferred to LBH employment. Two schools decided to employ the staff directly themselves and operate the cleaning function in house. The services successfully transferred as planned and have continued to provide a high standard of quality in line with the school's expectations. This was undertaken just as the Covid 19 pandemic struck so was a particularly challenging time with many new protocols and methodology needing to be adopted with all the associated training needs and materials.

3. VARIATIONS

There have been minor variations required to the service to include shift pattern standardisation, review of responsibilities previously unclear in the original contract and the introduction of new contractors.

4. FINANCIAL CONSIDERATIONS

The cost of the service is easily calculated and has been delivered as expected with two major exceptions. The onset of Covid 19 required additional hours to be provided during the day to allow sanitisation of hand contact surfaces and a very significant increase in staff absence. The absences were caused by employees succumbing to Covid 19 with the shifts needing to be covered and paid for by additional hours. These were provided either by paid overtime of agency staff hence the additional expense. Taking those two considerations into account, the service costs were still significantly less than previously charged by the departed FM contractor.

The way the contract is operated means that all incurred costs are passed directly through to the schools. There has been every effort made to minimise those costs which has been, on the whole, successful. There is a recognition that the management of the service needs to be refreshed which is currently underway.

5. MANAGEMENT ARRANGEMENTS AND INSOURCED KPIs

There are no KPI's in operation on this cleaning provision and it would not be appropriate to operate in such a way on an in-house service. KPI's are used to incentivise errant contractors to perform better by penalising them financially to give them motivation to do a better job. This approach would not work for in-house delivery and there is no mechanism to do so.

There will be a robust QA system operated which will ensure the standards are at least met operated by the supervision and management structure. This requirement has been incorporated into all the new job descriptions that have been developed in line with the harmonisation and restructure implementation working in conjunction with Hackney HR.

6. SUSTAINABILITY OUTCOMES

As part of the procurement process for the cleaning service contractors, there is a requirement for said contractors to fulfil certain requirements during the tender process. The contracted out service include:

- Clinical waste removal
- Security shredding services
- General waste removal
- Sanitary waste removal and disposal
- Window cleaning
- Dust control mat hire
- Specialist cleaning services (kitchen deep cleaning, ductwork etc)

Each bidder is required to demonstrate a commitment to sustainability issues and have documented policies and procedures to that effect. These are taken into account when each of the bids is being quality marked and will contribute to the successful award of that contract.

All bidders are required to commit to paying the prevailing London Living Wage (LLW) to ensure that their employees are able to sustain a reasonable standard of living. This is a major part of the Mayor's contribution to the wellbeing of the local contractors employees.

It is expected, with the introduction of new and developing technology and methodology, that these will be adopted by the contractor to enhance the sustainability of the services being delivered. Consideration would need to be made as to whether this is a benefit that comes at a cost, is neutral or even advantageous and treated accordingly as a variation to the contract.

7. LESSONS LEARNT

A greater emphasis on the accuracy of the data provided by the outgoing contractor would have assisted. The information was, in certain instances, inaccurate or incomplete which caused delay in getting the payroll set up correctly and caused problems. These have now all been resolved but were a cause of concern at the time.

The team undertaking the mobilisation of the new arrangement were all very well experienced in having delivered this many times previously. This resulted in a seamless handover occasioning very few operational issues.

8. NEXT STEPS

There is currently a productivity review being undertaken by The British Institute of Cleaning Science (BICS). This will allow the FM team to ensure that the allocation and delivery of work streams is fair and equitable and deliver the VFM required by the schools.

Once the full results have been received, the Management team will assess the data provided and implement changes as required. This is anticipated to result in reduced staffing levels, changed shift patterns making the service more efficient and easier to manage.

When the original TUPE transfer was undertaken, there was discussion around standardising terms and conditions of employment for ex- kier staff to bring them in line with other council employees. . However, any changes to terms and conditions are subject to conditions under TUPE legislation and can only be made where there is a legitimate economic, technical or organisational (ETO) reason for the changes. This has yet to transpire but, when it eventually does, will result in all cleaning and supervisory staff enjoying an uplift in their income and better benefits of sickness pay, pension contributions and annual leave. There is some concern that this will increase the costs of the services and where these costs will be found from or whether they will be passed onto the schools as per the current model. Should this be the case, it may be that some schools will choose to withdraw from their current contracts with the service.

There is a plan to rationalise the Management Team which also transferred from Kier and, whilst suitable for the previous delivery model has proven to be top heavy for in-house requirements. This will, from a financial perspective, offset some of the additional costs to the schools of the harmonisation plan.

9. FINANCE COMMENTS

The financial impact of the cleaning services is nil as the financial costs will be offset completely by the recharging in the year to the relevant Hackney BSF schools.

In addition, cost considerations have been given to include the effect of Covid 19 on the service delivery.

Herewith is the table below which reflects the total estimated budget attributed to the cleaning services

Details	Budget
Basic staffing costs (inc. oncosts)	£986,650
Staff sickness and overtime cover	£126,395
Total	£1,113,045

The schools are given financial management information reports quarterly as per the contract. These are stated clearly and identifies the relevant cleaning services cost apportioned to each school.

10. HR COMMENTS

As previously noted, the ELI provided by Kier was wanting resulting in issues that should have been avoided.

Overall, the transfer went through without any major glitches but it is recognised that there is still a significant amount of work required to enable the harmonisation of the transferred staff's T & C.

Whilst there has been some discussion regarding harmonising terms and conditions of employment however, any changes to terms and conditions is subject to conditions under TUPE legislation and can only be made where there is a legitimate economic, technical or organisational (ETO) reason for the changes. This has yet to be determined but, when it eventually does, will result in all cleaning and supervisory staff enjoying an uplift in their income and better benefits of sickness pay, pension contributions and annual leave. There is some concern that this will increase the costs of the services and where these costs will be found from or whether they will be passed onto the schools as per the current model. Should this be the case, it may be that some schools will choose to withdraw from their current contracts with the service.

It should be noted that since March 2020 due to COVID19 the cleaning staff have temporarily been given access to the council's sick pay arrangements and this currently remains in place.

It is further recognised that the proposed restructure of the team is going to require dedicated HR input Which is subject to further discussion, subject to any final proposals. It should be noted that the inclusion of this service to the Council has led to an increase in the work for the Human Resources team due to a number of employee relations issues that have arisen following the transfer.

The process was not without it's

11. PROCUREMENT COMMENTS

11.1 It is understood that the cleaning service for BSF schools was brought back in-house as a result of an external contractor withdrawing from delivery of the service. Nevertheless this is a helpful example of a successfully insourced service. Performance management is due for some further development, which should enable a clearer comparison between in-house and external delivery models.

- 11.2 Although there have been additional costs as a result of COVID-19 measures, the service itself does not cost more. The author notes potential for future savings as a result of management rationalisation which would be useful to explore.
- 11.3 Sustainability outcomes requested of the previous external contractor, including payment of LLW have been retained through the in-house service.

APPENDICES N/A

EXEMPT APPENDICES N/A

BACKGROUND PAPERS N/A

Description of document - None

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UPDATE TO CABINET PROCUREMENT & INSOURCING COMMITTEE

Insourcing Annual Briefing Report

BRIEFING / INFORMATION

Title of Report: Building Cleaning

Key Decision No:

CPIC meeting date:

3rd October 2022

Classification:

If exempt, the reason will be listed in the main body of this report.

WARD(S) AFFECTED

All Wards

CABINET MEMBER

Cllr Mete Coban

GROUP DIRECTOR

Rickardo Hyatt

1. INTRODUCTION

- 1.1. The contract for Building Cleaning moved in-house on 1st January 2021. Prior to 2021, Building Cleaning was contracted to Atalian Servest, with the contract managed by Hackney's Facilities Management (FM). The cleaning service was delivered to 96 Council premises including children centres, libraries, depots, community halls and central campus buildings. There was a contractual obligation to deliver a minimum of 90% of the 7,188 cleaning hours per month. The Service involved 183 daily cleaning shifts using 147 cleaners with 83% of routine cleaning shifts delivered outside of Council core business hours. Further to the routine cleaning, the service delivered an average of 450 deep clean hours and an average of 450 ad hoc / event clean hours per month.
- 1.2. The Council's strategic objective is to insource existing service contracts where practicable, and although the financial margins within the outsourced cleaning contract were nominal, and the service already considered to be high performing, there were other benefits worth exploration.
- 1.3. These benefits were around potential synergies between the outsourced cleaning service and estate cleaning carried out by Sustainability and Environment (formerly Environmental Services). Initial thoughts were that there was an overlap in the cleaning operations undertaken by the estate cleaners, who are maintaining the internal spaces within blocks of flats, and the Atalian Servest staff, who are cleaning the concierge offices and community halls located in the same buildings or on the same estates. This constituted 51 of 97 sites involving 1,098 (of 7,188) monthly cleaning hours delivered by 34 cleaners at a cost of £185K. If these could be streamlined under the same remit then it was believed that savings could be made.
- 1.4. A further saving was identified where Sustainability & Environment (S&E) already had consumables contracts in place and could therefore obtain these products at lower cost than through the outsourced contract.
- 1.5. The strategy for the insourcing was to move all Atalian Servest staff over following the Transfer of Undertakings (Protection of Employment) Regulations 2006. This was to be done at midnight on 31st December 2020. To ensure a smooth transition the structure of the cleaning service and the deployment of the staff was to remain unchanged and the reporting process (to FM) and report templates were to be replicated.

2. MOBILISATION UPDATE

- 2.1. Mobilisation was very successful and smooth (and it should be noted that Atalian Servest were very cooperative in the process which greatly helped). Group training/induction sessions were held in the weeks leading up to the transfer as were individual consultation meetings, and all but 3 employees transferred to Hackney.
- 2.2. Staff transferred on their existing terms and conditions of employment and, from the 1st April 2022, by mutual agreement and through a process of termination and re-engagement, they moved to the Council's existing Single

Status Terms and Conditions. This resulted in significant improvements in their overall terms and conditions of employment including an increase in their hourly rate of pay as they moved off of the London Living Wage.

- 2.3. The service continued to operate flexibly with the challenges brought about by the Covid-19 pandemic, including changes to deep clean schedules, NHS operating from Council buildings, as well as changing government legislation around office occupation and hygiene requirements.
- 2.4. Consumables (hand towels, toilet paper, hand soap, dishwasher tablets, washing up, kitchen rolls) continue to be provided to Hackney Service Centre, Hackney Town Hall, Maurice Bishop House, Stoke Newington Town Hall, Robert house and Bocking Street as part of the contract. For all other LBH sites a recharge takes place as previously done with the outsourced contract.

3. VARIATIONS

- 3.1. The proposal to insource the building cleaning service involved a review of how the service was provided. This included looking at fundamental changes and to align the cleaning service within the existing S&E structure. The insourcing proposal acknowledged that some of these would require extensive negotiations with the current contracted workforce and the Trade Unions, as well as the management and staff who work in the buildings. The main changes proposed were:
 - 3.1.1. Moving some of the work currently done early in the morning onto a night shift. The report acknowledged that change would impact on the working arrangements of existing cleaning staff both for Council staff and the cleaning workforce.
 - 3.1.2. Adopting a mobile approach to cleaning certain locations and integrating this with the mobile building cleaning crews that already exist within the Service.
 - 3.1.3. Integrating the management of the cleaning service into the current S&E management structure with a view to deliver financial savings.
- 3.2. These service developments have not been taken forward to date. It was the intention for staff to remain on existing terms and conditions for 6-12 months to allow for a full service review, consultation with staff and redesign of the service. S&E have undertaken a review and assessment of the building cleaning service, and have highlighted some complexities from the initial proposals put forward, and are outlined below:
 - 3.2.1. Moving to different shift patterns (i.e. throughout the evening) would be a fundamental change to the job (many of the staff work the shifts they do around second jobs, care provision and other responsibilities). Therefore, it is likely through any consultation, that it would be extremely unpopular with many staff and the Unions, with many facing the possibility that the role becomes an unviable option for them. However, it should be noted that any decision on shift patterns or other terms of employment will ultimately have to be based on what most effectively meets the needs of the Council.

- 3.2.2. The proposal for posts to become more generic across the wider service, was seen to be less viable when analysing the nuances of various activities between the two roles of Hygiene Operative and the Environmental Operative/Estate Cleaner.
- 3.2.3. The estate cleaning staff do not have the capacity to expand their remit (for example, incorporating the concierge offices on the estates into their current beat).
- 3.3. S&E are in the process of conducting a full service review which is looking at all aspects of the operation for efficiencies, savings and opportunities. This is due for completion at the end of the year. The Building Cleaning Service is part of this review and as such permanent recruitment has been paused (agency staff are being used to fill leave/sickness where it is absolutely necessary).
- 3.4. S&E are also proactively addressing recommendations made internally as well as issues reported to the service that have been raised elsewhere, such as the Insourcing Steering Group (although it should be noted that no issues have been raised directly with the service through the monthly Local Joint Committee (LJC) meeting).
- 3.5. The table below outlines the areas of improvement and action taken since the service has been insourced.

Table 1: Areas of Improvement since move in-house

Area of improvement	Action
Awareness of Council policy and procedures and Council code of conduct	Group induction sessions were held for staff, including tool box talks, and translations were made for required languages. It is acknowledged that more individualised sessions could have improved the transition of new staff.
	A corporate induction package is being worked on and this will be shared with the workforce once complete.
	Senior manager receiving 1-2-1 mentoring-type support to deal with issues like Hackney HR systems, complaints and grievance procedures, code of conduct and absence management.
Sickness management and protocol	Feedback has been received around the handling of a sickness case where Council protocol was not followed (although it must be noted that this was done due to concern for the welfare of the employee and not as part of a sickness investigation). Nonetheless, lessons have been learned and protocol will be reviewed and followed going forward.
New staff training and on-going	A skills matrix has been created to identify individual development needs of staff and managers including:

development	<ul style="list-style-type: none"> • IOSH Training • PAT Testing • BICCS • Accident and Investigation • Training on scrubber drying machines
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4. FINANCIAL CONSIDERATIONS

- 4.1. Prior to insourcing, the Servest contract cost of the core service was £1.46m per annum and was subject to an annual London Living Wage uplift. Although the contract was managed by Facilities Management Service, 82% of the portfolio is centrally funded from the corporate cleaning budget, with circa £250k of the contract cost funded from individual Service budgets.
- 4.2. Non-centrally funded sites sit as contract variations that came after the central cleaning budget had been established.
- 4.3. The actual and projected cost for year 1 and year 2 of the in-house service are shown in the table below.

Table 2: Summary of Costs of Provision

Service Model	In-house under S&E	
	YEAR 1	YEAR 2
Senior Management	£55,605	£59,561
Supervisory	£101,715	£106,350
Staff	£1,521,145	£1,466,801
Ad Hoc	£124,873	£97,626
Overheads	£77,000	£0
TOTAL	£1,880,338	£1,730,338

- 4.4. The estimated cost increase for bringing the Service in-house, including the improvement in terms and conditions, was £400k in the first year. Therefore Year 1 costs for the Service were set at £1,880,338.
- 4.5. In year 1, S&E delivered this within budget whilst providing a corporate saving of £75k, as required.
- 4.6. Without the service redesign having been taken forward, and a corporate requirement for a further £75k saving, delivering the Service within budget in Year 2 is a challenge. However, with the Service operating across fewer

buildings and with less staff due to the Covid-19 pandemic, the Service remains on course to achieve this.

- 4.7. Table 3 below shows the forecast cost variance allowing for an annual 2% uplift for the LLW / salary increase, which has been applied to the staffing elements for each year only. With this uplift, and a further £75k Corporate savings target having been delivered, the Year 2 costs for the Service have been set at £1,730,338.

Table 3: Cost Variance

	Year 1	Year 2	Year 3	Year 4	Year 5
In-House S&E	£1,880,338	£1,730,338	£1,764,944	£1,800,243	£1,836,248

5. MANAGEMENT ARRANGEMENTS AND INSOURCED KPIs

- 5.1. As the Service was moving in-house with the same resources and deployment plan the KPIs remained the same. The in-house Service uses the same software for the management inspections and uses the same reporting templates.
- 5.2. The structure has been replicated in terms of a client and contractor relationship with Facilities Management (FM) retaining the role of the client. Performance has not been impacted by the transfer in-house and Key Performance Indicators are being achieved where possible (i.e. buildings that are in operation). Whilst FM have frequent, informal catch-ups with senior officers in S&E, it is recommended that more formal client/contractor meetings are introduced, as a minimum quarterly, to ensure effective contract management in place.
- 5.3. The following table shows the 2021 performance indicator scores against the target score.

Table 4: KPI table

Performance Indicator	Target	2021 outturn	Status
Health & Safety Issues	Maximum one per quarter	Zero for the year	Achieved
Staff turnover	60% annual	8.3% annual	Achieved
Auditing	360 audits	208 audit completed	The target of 360 annual audits was not achieved in 2021 due to buildings being closed or under renovation.
Cleaning	Average audit	91.56%	Achieved

Performance Indicator	Target	2021 outturn	Status
Audit Scores	score of 80%		
Deep cleanse	162 hours	120 hours	Deep clean target was not achieved in 2021 due to buildings being closed or under renovation

6. SUSTAINABILITY OUTCOMES

Procuring Green	<ul style="list-style-type: none"> - As part of the tender and specification there was a commitment to use environmentally friendly products. FM would periodically audit COSHH sheets and visual checks of cleaning cupboards across the portfolio, and as such S&E are committed to continue with this approach, ensuring the greenest products available, that perform to the standards required, are used. Some green products are currently being trialled.
Procuring for Better Society	<ul style="list-style-type: none"> - The Service offers apprenticeship opportunities, and currently has one apprentice. The Service will continue to explore this option on a yearly basis. - The Service is based and delivered in Hackney, therefore bringing economic activity into the area, and the potential for local employment. - Payment of London Living Wage.
Procuring for Fair Delivery	<ul style="list-style-type: none"> - Cleaning staff now benefit from the improved terms and conditions that working for the Council provides. - Now that staff are within S&E they have access to training and development as well as internal jobs and placements.

7. LESSONS LEARNT

- 7.1. Charges have increased by 3% for 2022/23 to account for improvement terms and conditions. There had been no uplift since Dec 2020, and as such some service areas have been concerned about the knock on effect of this on the operation of their service. Impacts on services could therefore have been communicated in good time.
- 7.2. A more in depth feasibility study at the beginning of the process may have indicated that there was limited scope, at least in the current structure, to accommodate concierge cleaning into the work portfolio of the estate cleaners.

- 7.3. There has been a staff retention issue; of the 102 staff members that transferred to the Council under TUPE, only 84 remain, which included Team Leaders. This has been caused by a number of staff leaving the Service, in addition to vacant posts within the establishment.
- 7.4. Once staff have left the service it is difficult to recruit due to ad hoc shift hours making recruitment of agency staff difficult as the established agency, Cue, normally base hours on a 36hr week. This has resulted in using current LBH cleaners undertaking additional hours to make up the required cleaning hours.
- 7.5. More training and preparation could have been provided to senior staff in Environmental Operations on the provision of Building Cleaning Services; this service is different to the other services they currently manage.

8. NEXT STEPS

- 8.1. As aforementioned, the Building Cleaning Service is under review to evaluate whether we continue to provide the Service in its current guise or whether the structure needs tweaking, including how it interacts with the other services provided in S&E. Whilst a review of the Service is being undertaken, recruitment to full time substantive posts have been put on hold.
- 8.2. Officers will also review the current targets and implement more appropriate targets in line with wider service objectives. An example would be around Health & Safety; the current target was carried over from the Servest contract. However, to mitigate against more serious health and safety incidents, the service will implement a target of zero RIDDORS and no more than one near miss or minor incidents per quarter.
- 8.3. Officers will also work with Facilities Management to understand the long-term plans with campus buildings and the cleaning regime required for these.

9. FINANCE COMMENTS

- 9.1. The estimated cost of bringing the Building Cleaning Service in-house was set at £1,880,338. A Corporate savings target for year 1 (2021/22) of £75k was taken with a further 75k for year 2 (2022/23). Further savings previously envisaged, for example by possibly amalgamating some services, haven't been possible at this time.
- 9.2. Whilst the Service has made the initial 150k Corporate savings targets, mainly due to reduced activity and loss of sites during the 2 plus years of the Covid19 pandemic, finding potential savings in the future will be challenging as we move back to buildings being reoccupied at similar levels to pre-covid.

10. HR COMMENTS

- 10.1. Whilst the activities associated with TUPE and the subsequent review of Terms and Conditions of Employment are now complete from the perspective of the Human Resources Business Partnering Team (including payroll), the increase in staffing also results in an increase in the overall workload. This is particularly the case during bedding in periods. Therefore consideration needs

to be given with regard to capacity within the support functions when these decisions are proposed.

- 10.2. Any future review of the Service will need to be carried out in accordance with the Council's established organisational change policies and procedures and HR will continue to support the service area in this regard.

11. PROCUREMENT COMMENTS

- 11.1. A number of staff were identified as eligible for TUPE and it is noted that the mobilisation of the new service, including TUPE, was successfully completed as planned.
- 11.2. Existing KPI targets for the service were retained and as far as it was in the Services control to do so targets were achieved in 2021. Where targets were not achieved, this was due to buildings being closed or under renovation. Existing targets are currently being reviewed by officers and where appropriate new targets inline with wider service objectives will be implemented.
- 11.3. Important lessons have been learnt during the initial period of inhouse delivery as noted in the report. Some service developments identified prior to insourcing have not been taken forward and areas of improvement have been identified. A review of the Service is currently underway and is due to complete by the end of the year.
- 11.4. The Service achieved its corporate savings targets for year 1 and is on course to do so for year 2, however challenges to the delivery of further savings have been identified.

APPENDICES

None.

EXEMPT APPENDICES

N/a.

CONFIDENTIAL

N/a.

BACKGROUND PAPERS

None.

Description of document (or None)

None.

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