

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

**MONDAY 5 JUNE 2023**

Link to live stream link: <https://youtube.com/live/m4SP0IAfdb8>

<b>Chair</b>	<b>Councillor Robert Chapman in the Chair</b>
<b>Councillors Present:</b>	<b>Councillors Cllr Christopher Kennedy and Cllr Caroline Woodley</b>
<b>Apologies:</b>	<b>Cllr Mete Coban</b>
<b>Officers in Attendance</b>	Rotimi Ajilore, Head of Procurement Mark Carnall, Street Operations Manager Gulgun Chelikhhan, Service Area Manager
<b>Officers in Attendance Virtually:</b>	Divine Ihekwoaba, Procurement Category Lead Leila Gillespie, Procurement Category Lead Patrick Rodger, Senior Lawyer

### **1. APPOINTMENT OF CHAIR FOR THE MUNICIPAL YEAR 2023/24**

#### **RESOLVED:**

To note the appointment to the position of Chair - Councillor Robert Chapman for the Municipal Year 2023/24, as agreed by Full Council at its Annual Meeting on 17 May 2023.

### **2. APOLOGIES FOR ABSENCE**

2.1 Apologies for absence were received from Cllr Coban.

### **3 TERMS OF REFERENCE OF THE CABINET PROCUREMENT AND INSOURCING COMMITTEE**

#### **RESOLVED:**

To note the Terms of Reference of the Cabinet Procurement and Insourcing Committee for the Municipal Year 2023/24.

### **4. URGENT BUSINESS**

4.1 There was no urgent business to consider.

### **5. DECLARATION OF INTEREST - MEMBERS TO DECLARE AS APPROPRIATE**

5.1 There were no declarations of interest.

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

6.1 There were no representations to consider.

**7. DEPUTATIONS/PETITIONS/QUESTIONS**

7.1 The Chair noted that Cllr Binnie Lubbock had a question in relation to Agenda Item 9 for the Cabinet Member for Environment and Transport.

**8. UNRESTRICTED MINUTES OF THE PREVIOUS MEETING OF CABINET PROCUREMENT COMMITTEE HELD ON 7 NOVEMBER 2022**

**RESOLVED**

**That the unrestricted minutes of the Cabinet Procurement and Insourcing Committee held on 2 May 2023 be agreed as a true and accurate record of proceedings.**

**Matters arising**

Tracker Ref 1 - 16/01/23 - AHI S162 - Integrated Mental Health Network.

Members noted the Integrated Mental Health Network Procurement Lessons Learnt Report circulated prior to the meeting.

**9. CHE S220 CYCLE HANGARS - SUPPLY, INSTALLATION AND MAINTENANCE**

9.1 Tom Carnall, Street Operations Manager introduced the report seeking approval for the award of a 15 year contract, initially for a 5 year period and up to five extensions of 2 year periods for a supplier to provide cycle hangars, together with the ongoing supply of parts.

9.2 Following the introduction, Members of the Committee asked questions which were responded to as follows:

- In response to a question relating to the purchase and project costs, it was stated that the costs were linked to the industrial indexes as outlined within the report. The costs of the units were not expected to reduce in the future as a result of the impact of the cost of living, rates of inflation, and rising costs of steel and other raw materials. However, due to the long term commitment of the contract and good economy of scale the prices would be locked for the duration of the contract and there would be opportunities to negotiate the prices during the extensions of the contract. In terms of the project costs, the initial investment had been costed and was based on a model that bought units using capital expenditure and as the rented spaces increased the scheme's income would increase. At the contract break points there would be an opportunity for officers to review elements of the markets, consider the costs and potential benefits of procuring this service before making a decision whether to extend the period after the initial 5 year term. With regard to the maintenance costs, this had been fully costed for the lifetime of the project.

**Monday 5 June 2023**

- In response to a question relating to the duration of a cycle hanger, it was explained that the product was expected to last for a minimum of 15 years but the life of the unit could extend to 20 years with regular maintenance. The cycle hanger was made from galvanised steel, which could last for 80 years but the parts had a shorter life span and regular maintenance of those parts could further extend the duration of the product beyond 20 years.
- In response to a question regarding the greater demand for cycle hangars than in the report, it was clarified that the service will be promoting the scheme more to ascertain and understand the true demand for this service which was hidden by the restriction of one registration of interest per customer, meaning families could not apply for a space for all their bikes. The current approach of dealing with those on the waiting list could change in the future and permit one individual to register for their family.

**RESOLVED:**

**To approve the award of contract for the Supply, Installation and Maintenance of Cycle Hangars to Supplier B.**

**REASONS FOR DECISION**

1. Over the last decade Hackney Council has incrementally expanded its cycle hangar scheme, with the speed and scale of expansion driven by the availability of external funding pots (primarily LIP funding from TFL). As a result of this funding setup, procurement of new hangars has historically been reactive, with small-scale tenders for the provision and installation of hangars being carried out on an ad hoc basis. While this arrangement has met the primary objective of ensuring that the funding available was spent within the necessary spend window, the approach has not been as successful in enabling Hackney to meet the enormous demand for hangars from residents, nor has it provided the necessary contract framework to ensure a high standard of after sales support.

2. Furthermore, the in-house management of cycle hangars has enabled a strong understanding of the design requirements necessary to minimise the risk of theft, reduce the level of routine maintenance required, and limit vehicle collisions, all of which have been fed into the updated requirement specification.

**10. ANY OTHER UNRESTRICTED BUSINESS THE CHAIR CONSIDERS TO BE URGENT**

10.1 There was no urgent business to consider.

**11. DATE OF FUTURE MEETINGS**

3 July 2023  
4 September 2023  
9 October 2023  
6 November 2023  
4 December 2023  
8 January 2024  
5 February 2024  
4 March 2024  
8 April 2024

**12. EXCLUSION OF THE PUBLIC AND PRESS**

**RESOLVED**

**THAT the press and public be excluded from the proceedings of the Cabinet**

**Procurement Committee during consideration of Exempt Appendix at item 13 – Cycle Hangars 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.**

**13 CHE S220 CYCLE HANGARS - SUPPLY, INSTALLATION AND MAINTENANCE EXEMPT APPENDICES**

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

**14. ANY OTHER EXEMPT BUSINESS THE CHAIR CONSIDERS TO BE URGENT**

14.1 There was no urgent business to consider.

Duration of the meeting: 5.00 - 5.25 pm

Councillor Robert Chapman  
Chair of the Committee

Contact:  
Rabiya Khatun  
governance@hackney.gov.uk