



London Borough of Hackney – Decisions taken by the Cabinet Procurement and Insourcing Committee on Monday 4 September 2023

Decisions listed below that are Key Decisions will come into force and may then be implemented on the expiry of 5 clear working days after 11 September 2023 unless called-in by at least 5 non-executive members in writing and submitted to the Monitoring Officer.

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Part A – Items considered in public

7	AHI S186 Integrated Telecare Service Contract Extension Award Report	<p>RESOLVED:</p> <p>To award an extension to the contract with Millbrook Healthcare Limited for the delivery of the Hackney Integrated Telecare Service, for a period of 18-months + 6-months + 6-months options to extend; full 30-month contract extension period 26 February 2023 to 25 August 2025. The total projected contract value for the full period is c.£2,080k. This includes an estimated c.£204k cost of equipment that will be reimbursed by health partners.</p> <p>Reasons For Decision</p> <p>1. Millbrook Healthcare Ltd. is the Council’s contracted provider for the Hackney Integrated Telecare service. The contract was awarded via an STA in August 2017 due to the financial failure of the then incumbent provider.</p> <p>2. The contract is for the provision of the three core service elements shown below:</p> <ul style="list-style-type: none">• Telecare Equipment Service: responsible for the supply, installation, replacement, maintenance, repair and removal of equipment and follow-up service user visits.• Telecare Call Monitoring Service: provision of a 24/7 call monitoring and answering service, with performance monitoring and information management responsibilities.
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		<ul style="list-style-type: none"> • Telecare Response Service: provision of a locally based 24/7 community response service with key holding and information management responsibilities. <p>ParaDoc: a rapid response team consisting of a Doctor and Paramedic who assess and manage people in their own home. An alternative to 999 for people with urgent medical and social needs, as well as for falls.</p> <p>3. The NHS North East London, City and Hackney Place-Based Partnership (NHS NEL CHPBP) commissioned ParaDoc service is included in the Telecare response triage pathway.</p> <p>4. The contract with the incumbent expired on 25 Feb 2023. There are no available options to extend.</p> <p>5. The well-being and safety of c.3,500-4,000 vulnerable Hackney residents are reliant on the 24/7 Telecare service. Due to associated risks, it is not possible to cease provision of this service.</p> <p>6. The proposal is to extend the contract with Millbrook Healthcare Limited, as the incumbent, for a period of 2.5 years (18 months + 6 months + 6 months options to extend), commencing on 26 February 2023.</p> <p>7. The purpose of the requested contract extension is to allow for continued service delivery whilst we develop and implement a strategy for the Digital Shift 2025 (Appendix 1) with an aim to secure the opportunities and benefits of digital to improve outcomes for Hackney residents. Key objectives within the strategy are;</p> <ul style="list-style-type: none"> • to complete the necessary transition from analogue to digital ensuring the continued safety of some of our most vulnerable residents; • to commission a future technology-enabled care (TEC) service, enabling us to move towards delivering a proactive and preventive digital offer that can help us improve the

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		<p align="center">quality of life for our residents and reduce reactive care costs.</p> <p>8. During the extended contract period we will work to resolve the budget pressure and run an open tender under the OJEU process for delivery of a future TEC service. The service will build on the improvements made during the digital transition and aim to take full advantage of developments in the tech industry such as telehealth, remote monitoring and other digital assistive technologies to strengthen Hackney’s prevention agenda, support delivery of our strengths-based approach and widen the scope for benefits realised.</p> <p>9. The intention is to complete the procurement process and award a contract by December 2024, factoring in 2-months for potential slippage. The final 6-month option to extend will only be used if necessary to manage any unforeseen delays. An indicative timeline is provided as Appendix 2.</p> <p>Alternative Options (Considered and Rejected)</p> <p>There are no alternative options available to the Council at this time. (the options in the table were however considered)</p> <table border="1" data-bbox="842 1059 2040 1369"> <thead> <tr> <th data-bbox="842 1059 1240 1161">Option</th> <th data-bbox="1240 1059 1639 1161">Advantages</th> <th data-bbox="1639 1059 2040 1161">Disadvantages</th> </tr> </thead> <tbody> <tr> <td data-bbox="842 1161 1240 1369">Do nothing</td> <td data-bbox="1240 1161 1639 1369">None.</td> <td data-bbox="1639 1161 2040 1369">The Council would be at risk. With no contract in place, this could lead to the failure of the service being delivered.</td> </tr> </tbody> </table>	Option	Advantages	Disadvantages	Do nothing	None.	The Council would be at risk. With no contract in place, this could lead to the failure of the service being delivered.
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8	AHI S176 Stop Smoking Service Reprocurement Business Case	<p>RESOLVED:</p> <p>1. Agree the commissioning of the City and Hackney Stop Smoking Service for a period of up to five (5) years (3+1+1) beginning 01/07/2024 at a maximum value of £4m (Option number 4 in section 6). This will include within this financial envelope, a budgeted amount of £80,000 per annum for an insourced PO7 post to provide an enhanced community engagement function and work with the provider to develop partnerships with high prevalence and high risk communities.</p> <p>2. Such commissioning shall include the option to award further funding to the successful bidder of up to £500k (in total, over the lifespan of the contract, depending on allocation from central government) for optional additional work packages to deliver national initiatives. The potential scope of these work packages is described in section 6.5.7 of the submitted report.</p> <p>Reasons For Decision</p> <p>6.1 There are four options relating to the future of the City and Hackney Stop Smoking Service (SSS) that have been considered in this business case and are set out below. It is essential to first understand the wider context in which these options have been considered.</p>						

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		<ul style="list-style-type: none"> • Smoking is the primary cause of preventable illness and premature death, accounting for approximately 74,600 deaths a year in England, and the leading cause of health inequalities, accounting for half the difference in life expectancy between the richest and poorest areas. • Evidence shows at least one in two long term smokers will die from a smoking-related disease, but that risk may now be as high as two in three. • The annual societal costs of smoking in Hackney are estimated at over £100m each year (equivalent data for the City are not available). These costs are spread across health services, local authorities (accounting for an estimated 8% of all paid home and residential care costs) and the fire service - but the most significant costs are in lost productivity due to smoking-related ill-health. In the context of the current cost of living crisis, it is particularly important to recognise and address the impacts of smoking in driving people into poverty, estimated to affect almost 3,000 households locally each year. • Smoking interventions are the most cost effective (often cost 'saving') of all public health interventions and have the greatest impact on reducing health inequalities (along with domestic violence prevention). • Smoking is highly addictive, with two thirds of those who try smoking going on to become daily smokers. Smokers who access an evidence-based stop smoking service are three times more likely to quit than those who go it alone. • According to data from the Annual Population Survey in 2021, smoking prevalence in Hackney amongst adults (age 18+) was 14.2%, higher than our 15 'statistical neighbours'. Equivalent data are not available for the City. • Adult smoking prevalence in Hackney has fallen since the existing service started in 2018, from 14.8% to 14.2% in 2021. Applying 2021 estimated prevalence to the local population equates to approximately 30,000 adults (age 18+) still smoking in Hackney. • City and Hackney currently has a single Stop Smoking service contract with

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		<p>Whittington Health. This includes a subcontracting arrangement with the GP Confederation, SLAs between Whittington Health and individual community pharmacies and a directly delivered community outreach service. The service also delivers training to partners (very brief advice and specialist stop smoking advisor training). This contract is currently due to finish at the end of June 2024.</p> <p>6.2 Option 1 - End the service at the currently scheduled end date of 30/06/2024 and do not commission a new Stop Smoking Service</p> <p>6.2.1 This option considers the implications of ceasing the Stop Smoking Service in City and Hackney.</p> <p>6.2.2 Whilst this provides a saving to the council, it does not give full consideration to the context set out in 6.1 above and the evidence of significant need related to tobacco-related harm and associated health inequalities. This option will remove access to a much needed evidence-based service for the tens of thousands of people who still smoke in City and Hackney.</p> <p>6.3 Option 2 - Reprocurring the Stop Smoking service based on the current service model and specification</p> <p>6.3.1 This option considers reprocurring the Stop Smoking Service based on the current model and specification that is already in place.</p> <p>6.3.2 The existing Stop Smoking Service performs well for clients who attend the service; Hackney’s outcomes ranked 3rd out of 16 in 2020 when compared to its statistical neighbours for both “smokers setting a quit date” and for “self-reported successful quits at 4 weeks”., Hackney’s performance against these national smoking indicators is also consistently above the England average.</p>

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		<p>6.3.3 Whilst the service delivers a strong package of support to the clients who attend, it has been less successful in attracting referrals from some high risk groups/high prevalence communities (including pregnant/postpartum women, smokers from the Turkish/Kurdish community and those in routine and manual occupations) (see appendix 1 for full list of priority groups).</p> <p>6.3.4 The main (Hackney) service began in July 2018 and City of London joined to create an integrated service in April 2021 (following very poor performance under previous contractual arrangements in the City). However, since the outset, the City element of the service has continued to underperform and a recovery plan has been put in place for the final year of the contract. It is proposed that the successful elements of this recovery plan are carried through into the new service.</p> <p>6.3.5 In addition, since the start of the existing service in 2018, new guidance has been published by National Institute for Health and Care Excellence (NICE) on preventing smoking uptake, promoting quitting and treating dependence. This guidance includes several new recommendations including lowering the age threshold of a Stop Smoking Service from 18 to 12 and incorporating nicotine-containing e-cigarettes as a treatment option for over 18s.</p> <p>6.3.6 Also, since the current service began, the NHS Long Term Plan was published (in 2019), which provided NHS funding for tobacco dependency treatment for inpatients within acute and mental health trusts, as well as maternity services. These wider system changes will have an (as yet unknown) impact on the community stop smoking provision. The existing Stop Smoking Service, commissioners and NHS providers are working closely together to ensure alignment of local pathways and effective continuation of treatment following discharge from hospital. This new NHS provision is not reflected in the current service specification and therefore adjustments are needed to ensure referral pathways remain transparent, effective and safe for service users.</p>

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		<p>6.3.7 Local data and insight gathered as part of the co-design process point to a number of improvements and enhancements to the service model that would better meet the needs of local people. These include:</p> <ul style="list-style-type: none"> • a strengthened community outreach and engagement function to work in a more targeted way with residents most at risk from the harms of tobacco • strengthening and extending ongoing support for people to reduce relapse and remain ‘smokefree’ • increase access to harm reduction approaches for those motivated to reduce their tobacco use but not yet ready to quit in one go • Continuing with the existing model would not provide the flexibility to improve the service in line with these insights. <p>6.4 Option 3 - Recommission a new Stop Smoking Service based on a redesigned service model and specification.</p> <p>6.4.1 This option considers recommissioning a new Stop Smoking Service based on a redesigned service model and specification.</p> <p>6.4.2 As outlined in option 2, new NICE guidance (published in 2021), analysis of the most recent data and new local insights, as well as new funding for hospital-based tobacco dependency treatment services, point to a number of improvements and enhancements that will better meet the needs of local people. Incorporating these elements (see 6.3.5 and 6.3.6 above) would require a re-designed Stop Smoking Service to be commissioned.</p> <p>6.4.3 In addition, due to difficulties in estimating service demand from the large transient City worker population (approximately 587,000 workers are based in the City of London in 2023, with high estimated prevalence of smoking, but historically low uptake of stop smoking services), a more flexible model is required.</p>

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		<p>6.4.4 Whilst this option considers the latest evidence and insight available for City and Hackney, this fully outsourced Stop Smoking Service model does not give full regard and commitment to the Hackney Labour Manifesto 2022-26 to review all outsourced services, with a view to bringing them in-house. A fully outsourced option would exclude some of the key advantages to insourcing particular elements of this service, as detailed in option 4 below.</p> <p>6.5 Option 4 - Recommission a new Stop Smoking Service based on a redesigned service model and specification including an insourced service element.</p> <p>6.5.1 This option considers recommissioning a new Stop Smoking Service based on a redesigned service model and specification including an insourced service element.</p> <p>6.5.2 This option would seek to incorporate the latest evidence and best practice guidelines, as well as insights that have been gathered from resident and stakeholder engagement and data analysis (see option 2). For completeness the changes proposed for the new service are repeated/collated below.</p> <ul style="list-style-type: none"> • Incorporate the latest guidance from NICE including lowering the age threshold from 18 to 12, continuing to offer behavioural support plus medication (now including nicotine-containing e-cigarettes for over 18s only) as the most effective way to support smokers to quit, with support tailored to the specific needs of individual smokers • Integration/alignment of community and hospital-based stop smoking and tobacco dependency treatment service pathways. • Strengthening and extending ongoing support for people to reduce risk of relapse and remain 'smokefree'. • Increase access to harm reduction approaches for those motivated to reduce their tobacco use but not yet ready to quit in one go. • Specify a revised model for the City element, including new activity targets (and corresponding adjustment to the City contribution to the service budget - see savings

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		<p>section 6.16), as well as additional capacity provided through the virtual Stop Smoking London portal (available through membership of the London Smoking Cessation and Tobacco Control Programme, funded separately).</p> <ul style="list-style-type: none"> • Insourcing of an enhanced community engagement function, through recruitment of a dedicated officer to be hosted by Hackney Council. It is proposed this would be a PO7 post and the budgeted amount for this is £80,000 per annum, which is included within the £800,000 financial envelope for this service. This community engagement officer will work alongside the contracted provider and develop close partnerships with key local high risk/high prevalence communities, building on the successes of the Public Health Community Champions programme. This partnership approach will aim to ensure the service is flexible to the wider needs of priority groups, helping to deliver on the new service's priority objective to reduce inequalities in tobacco related harm. The full scope of work for the insourced community engagement officer will evolve in response to community and service needs, but is expected to include: <ul style="list-style-type: none"> ○ working with the service provider to build capacity in community organisations to deliver stop-smoking advice directly ○ supporting the co-development of tailored communications and targeted outreach to promote the service ○ building/strengthening relationships between high risk/prevalence communities and the service provider to maximise responsiveness and reach of the service ○ gathering insight from people in these communities to support ongoing service improvement and co-design to better meet the needs of smokers in City and Hackney. • Inclusion of a ringfenced outreach and engagement budget of £50k per year, to fund community partners to support the work with priority groups described above. This fund is part of the overall service budget and would be held and distributed by the provider. The provider will be required to work in close partnership with the insourced community engagement officer to co-design an approach for allocating this funding that is

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		<p align="center">proportionate, fair and transparent.</p> <p>6.5.3 This proposed new service would replace all existing provision (including community outreach, GP and pharmacy based Stop Smoking Services) and integrate with new NHS tobacco dependency treatment pathways. The new service proposals will build on learning from the coronavirus pandemic in seeking to work in partnership with the voluntary and community sector; co-designing and implementing a flexible service offer that meets the needs of those who would benefit the most, within communities where tobacco harms are high, but uptake of local Stop Smoking Services has historically been low.</p> <p>6.5.4 The evaluation and design work has considered options for taking an holistic approach to supporting people to address multiple health risks and address wider needs that affect people’s smoking behaviour. It has considered the most appropriate delivery model for achieving the priorities for the new service (such as a single integrated service, lead provider network or multiple contract lots and insourced provision - see section 9.4).</p> <p>6.5.5 Following a detailed benchmarking exercise, (see section 6.15), it is proposed that the budget for the new service, whilst including the new/enhanced elements outlined above, can be reduced (see savings proposals in section 6.16).</p> <p>6.5.6 A recent announcement from the Department of Health and Social Care has set out that “one million smokers will be encouraged to swap cigarettes for vapes under a pioneering new ‘Swap to Stop’ scheme designed to improve the health of the nation and cut smoking rates. Pregnant women will also be offered financial incentives to help them quit as part of a sweeping package of measures to cut smoking rates in England.”</p> <p>6.5.7 At the time of writing, there has been no further detail on when or how these national initiatives will be implemented, nor how the funding for delivery will be disseminated to local areas. However, it is expected that these initiatives will be rolled out during the lifetime of the</p>

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		<p>new Stop Smoking Service and it is anticipated that up to £500k in total will be received for local delivery across the life of the new contract. These will be additional ‘work packages’ that the provider would be expected to deliver as part of the Stop Smoking Service contract, were the funding to become available.</p> <p>6.6 From the options appraisal above, option 4 is recommended.</p> <p>6.7 Benefits Realisation and Lessons Learnt</p> <p>6.7.1 The current contract is managed by the tobacco control lead and commissioning lead in the form of monthly and quarterly meetings with the Stop Smoking Service provider. Monthly meetings include general service updates and quarterly meetings consist of benchmarking performance against the KPIs. Any issues that arise in between meetings are addressed with the provider.</p> <p>6.7.2 Where consistent areas of underperformance have been identified, most notably in the City element of the service, a recovery plan was put in place and is reviewed on a monthly basis by representatives of the provider, Public Health and the City of London. The City KPIs (and budget) were reduced for the final year of the current contract (2023/24) in line with ongoing underperformance and assessment of lower than anticipated demand (based on extensive engagement with a range of stakeholders). The budget for City activity was reduced accordingly.</p> <p>6.7.3 A full review of the current service model was undertaken to inform the design of the new Stop Smoking Service. As mentioned previously, for those who access the service, outcomes are very positive - quit rates are well above the national standard of 35% (commonly achieving or exceeding 60% over the life of the contract) and the service consistently receives positive feedback from service users. However, there are gaps in the reach of the current service with certain high risk groups and high prevalence communities (including Turkish/Kurdish smokers</p>

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		<p>and those in routine and manual occupations) under-represented. The new service aims to address this through a strengthened focus on addressing inequalities in uptake, through a fully flexible service model, insight-informed tailored and targeted communications, plus a dedicated outreach and engagement function (see 6.5.2).</p> <p>6.8 Preferred Option</p> <p>6.8.1 The preferred option for this service is Option 4: Recommission a new Stop Smoking Service based on a redesigned service model and specification including an insourced service element.</p> <ul style="list-style-type: none"> • 6.8.2 This option: • builds upon the good performance of the existing service • takes account of the findings of recent data analysis, service and stakeholder engagement and NICE recommendations. • aligns with the Hackney Labour Manifesto 2022-26 to review all outsourced services with a view to bringing them in-house (Further details on the benefits of a hybrid insourced/outsourced model can be found in Appendix 2: Insourcing/Outsourcing Options Appraisal (Stop Smoking Service)) • reduces the overall budget following a detailed benchmarking exercise • takes account of future national government funding expected during the lifetime of this contract. <p>6.8.2 Whilst this option provides savings when compared to the existing budget, expenditure to deliver this service would still be required (when compared to Option 1).</p> <p>6.9 Alternative Options (considered and rejected)</p> <table border="1" data-bbox="842 1377 2040 1414"> <thead> <tr> <th data-bbox="842 1377 1240 1414">Option</th> <th data-bbox="1240 1377 1639 1414">Advantages</th> <th data-bbox="1639 1377 2040 1414">Disadvantages</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Option	Advantages	Disadvantages			
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		<p>Option 1: End the service at the currently scheduled end date of 30/06/2024 and do not commission a new Stop Smoking Service</p>	<p>Provides an efficiency against the PH grant</p>	<p>Will remove an essential service from the already high number of tobacco users locally, and will have a detrimental impact on population health and further exacerbate health inequalities across City and Hackney.</p> <p>Fails to take account of local and national policy commitments on smoking and inequalities</p>
		<p>Option 2: Reprocurer the Stop Smoking service based on the current service model and specification</p>	<p>Maintains the status quo of a service that is effective in helping people stop smoking</p>	<p>Does not account for the findings of recent data analysis, service and stakeholder engagement and NICE recommendations - in particular actions needed to reduce inequalities in the harms from smoking.</p>
		<p>Option 3: Recommission a new Stop Smoking Service based on a redesigned</p>	<p>Builds upon the good performance of the existing service and takes account</p>	<p>Does not give full regard and commitment to the Hackney Labour Manifesto</p>

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9	FCR S230 Security Framework Extension - TO FOLLOW	<p>RESOLVED:</p> <ol style="list-style-type: none"> 1. To note the work undertaken on the possible insourcing of major parts of this service. 2. To agree a 24 months extension of the current Corporate Security contract with CIS Security Ltd with 12 and 18 month break clauses, while these options are actively pursued. <p>Reasons for decisions</p> <p>5.1 The contract between the Council and CIS Security Limited, commenced on 4th August 2018 for four years and was extended for 12 months until 3rd August 2023.</p>			

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		<p>5.2 In this time officers have been carrying out significant work to analyse the Council's security service requirements and consider options for insourcing (or partial insourcing) of the security services. This work has included thorough consideration of potential risks associated with insourcing the service, including operational, financial, reputational and legal/regulatory considerations.</p> <p>5.3 The current security framework comprises three service lots. The three lots are:</p> <ul style="list-style-type: none"> • Lot A. Civic buildings security including guarding, key holding and alarm response • Lot B. Vacant Premises & Estate security • Lot C. Residential concierge service <p>5.4 In order to comprehensively interrogate the current security service and thoroughly test the viability of insourcing, the Council first produced a full cost breakdown structure of the Council's current arrangements. This cost structure comprised:</p> <ul style="list-style-type: none"> • All staffed security hours required by the Council and delivered by the service provider • All supervisory hours • Vehicle, equipment & material costs • Management resources <p>In so doing, we were able to assess the service as a whole in order to identify possible efficiencies achieved from economies of scale, as well as break the service right down into smaller more manageable business models.</p> <p>5.5 From the onset of the exercise we considered the legal complexities and issues around the Private Security Industry Act 2001 (PSIA 2001), including reflecting experience from the management of the Council's CCTV service. The requirements of the legislation mean that in providing a security service to customers, the 'directors' of the Council would be required to be</p>

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		<p>licensed by the Security Industry Association including Mayor & Councillors.</p> <p>5.6 Further legal advice and local authority benchmarking clarified that the section of the PSIA 2001 Act relating to licensing of Directors only applies in circumstances in which security services are being delivered to a third party. So there is therefore no requirement for the Mayor & Members to be licensed when the Council in fact delivers the security service to itself (licensing would be limited to those directly involved in the delivery & management of the service).</p> <p>5.7 We carefully considered parts of the service for which there may be licensing implications under the law and excluded them from the insourcing review. This also included specialist services such as dog handlers. As well as safeguarding the Council by providing a degree of certainty around legal requirements, these service elements also fluctuate in demand requiring a high level of flexibility in the ability to scale up and scale down resources. This makes planning resources for these parts of the service difficult and therefore better suited to outsourced provision.</p> <p>5.8 Following this stage of the review, the service elements that were omitted from further consideration of insourcing options included:</p> <ul style="list-style-type: none"> • Event Security (involving third party clients such as weddings, MP surgeries, etc) • Vacant premises & estate regeneration security (involving third party clients, dog handlers and unstable demand) <p>With these elements omitted from the cost breakdown structure, the following areas of the service were considered through further analysis:</p> <ul style="list-style-type: none"> • Corporate security guard services • Residential concierge services

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		<p>5.9 This represents the bulk of the Council’s security service for which the vast majority of staff work. The modelling took account of all security hours currently being delivered for these services and the cost implications if they were to be converted into full time Council posts on the basis of:</p> <ul style="list-style-type: none"> • Standard 36 hour working week • 4 weeks holiday entitlement • 1 week sickness leave (assumed a realistic average across the workforce) <p>5.10 The Council Security (Lot A), which comprises the civic buildings, hostels, events & other Council sites has a core workforce of 50 staff.</p> <p>5.11 The Vacant premises security (Lot B), which comprises regenerations sites and projects has a core workforce of 27 staff.</p> <p>5.12 The Residential Concierge security (Lot C), which comprises the 13 tower blocks and is funded by residents, has a core workforce of 26 officers.</p> <p>5.13 These numbers do not include supervisory, management or response officers working across more than one Service Lot. There are 119 total staff working in the service.</p> <p>5.14 Once we modelled application of the Council’s terms and conditions for staff to the security hours, this increased the number of staff the Council would need to cover these hours from the 119 staff currently delivering them under the current contract to 142; which would represent an increase of 23 full time staff to cover the Council’s baseline security requirement.</p> <p>5.15 Lessons learnt from previous insourcing exercises such as the cleaning service and parking service were used to plan suitable resources. We were realistic about the levels of resources that the Council would need to efficiently cover sickness/holiday absence and build-</p>

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		<p>in sufficient resilience in order to scale up & down to meet short notice demand such as business continuity arrangements.</p> <p>5.16 We also considered the management resources currently assigned to the Council by our current service provider, and analysed management structures and service plans detailed in previous security tender submissions. This enabled the development in the modelling of a management structure that was deemed sufficient and proportionate to the service in order to effectively manage the delivery of the Council’s security requirements. This was then used within the cost breakdown structure for a proposed insource model.</p> <p>5.17 No existing Council Service management infrastructure could be identified to absorb the security service, whether as a whole or in its segmented parts simply due to the size of the service. It delivers three times more service hours than the cleaning service and would involve the management of over 140 staff plus the management of further contracted staff.</p> <p>5.18 Our assessment indicates that insourcing the security service under the current model would cost the Council an additional £581K per annum to deliver the same requirement for the Corporate Manned Guarding (Lot A) and Residential Concierge Service (Lot C)</p> <p>Alternative Options (Considered and Rejected)</p> <p>9.1 Option: Not to extend</p> <p>9.2 The option not to extend was considered and rejected on the basis that the Council has a duty of care to provide safe and secure environments for its staff and visitors.</p> <p>9.3 Option: Retain Fully Outsourced Service</p> <p>9.4 The Council rejected the option to retain a fully outsourced service as it has been able to</p>

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		<p>identify efficiency opportunities that may facilitate the implementation of a modernised insourced model for parts of the current service.</p> <p>9.5 In its obligation in delivering its Sustainability & Insourcing Policy, the Council has opted to explore these opportunities further rather than procuring all elements of the service.</p> <p>9.6 Option: Insource the Current Model</p> <p>9.7 The Council rejected the option to insource the service under the current security model as it is unable to identify funding to meet the increased oncosts identified.</p> <p>9.8 The Council also recognises the need for modernisation within the service so understands that insourcing under the current model and reforming the service thereafter would bring added costs associated around service modernisation and rationalisation of resources, such as potential redundancies and pension payments.</p> <p>9.9 The Council also understands that a simple “lift and shift” exercise would present a high risk of existing staff leaving due to earning caps placed under a Council model that do not apply within the outsourced provision.</p> <p>9.8 Therefore in order to future proof the service and make sure that suitable resilience is built-in, further assessment of security roles and salaries in line with industry benchmarking will be necessary.</p>
10	FCR S235 Replacement Unified Communication as a Service (UCaaS) & Contact Centre as a Service (CCaaS) Telephony System 2023	<p>RESOLVED:</p> <p>1. To authorise the award of a contract for the procurement of a new ‘Unified Communication as a Service’ telephony service that includes an omnichannel contact centre solution to Supplier 1.</p>

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		<p>Reasons For Decision</p> <p>5.1 The initial term of the current contract for the telephony solution expired on the 31st of May 2023, an extension of up to one year has been agreed under the terms of the contract, with a 30 day notice period.</p> <p>5.2 A review of the current supplier was carried out on the following criteria;</p> <ul style="list-style-type: none"> • Performance • Compatibility with our environment • Value for money • Future requirements • Comparison to competitors <p>5.3 Following the review, it was determined that other providers would better suit the Council's present and future needs.</p> <p>5.4 This decision is to approve a contract award for a replacement supplier for our telephony solution procurement via the UK Government Digital Marketplace (G Cloud 13 - RM1557.13)</p> <p>5.5 Alternative Options (Considered and Rejected)</p> <p>5.6 Do nothing (continue the current contract through to May 2025) This is not recommended as our assessment of user needs and soft market testing has shown that the Council will achieve significant benefits to user experience, technology fit and costs through procurement of a new system.</p> <p>5.7 Full Tender Not recommended as existing frameworks with market leading UCaaS services are available,</p>

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		which reduces the procurement timeframes.
11	FCR S244 Kings Hall Leisure Centre Refurbishment Project contractor Procurement Business Case Part 1	<p>RESOLVED to:</p> <ol style="list-style-type: none"> 1. Approve the commencement of a two stage design and build procurement for Kings Hall Leisure Centre Refurbishment Project through the Southern Construction Framework Lot 3. 2. Delegate authority to the Group Director, Finance, in consultation with the Hackney Kings Hall Leisure Centre Development Board, in respect of the award of a Pre-Construction Services Agreement (PCSA) to the recommended contractor. 3. Authorise the Director of Legal, Democratic and Electoral Services to agree and enter into all necessary legal documentations relating to a Pre-Construction Service Agreement with the recommended contractor. <p>CPIC is requested to note that:</p> <ol style="list-style-type: none"> 4. Following a review of the Stage 3 cost plan by the PCSA contractor, a Full Business Case requesting budget approval for the whole project will be brought back to Cabinet for consideration. 5. Subject to Cabinet approving such Full Business Case, the project will proceed by submitting a planning application and continuing to complete the second stage of the procurement process (including the open book market testing of the Stage 4 design with the PCSA contractor’s supply chain). 6. At the completion of the second stage of the procurement process, a report recommending the award of the main design and build contract to the recommended

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		<p>contractor will be brought back to CPIC for consideration and approval.</p> <p>5. Reasons For Decision</p> <p>5.1 The project team undertook Options appraisal workshops to establish the refurbishment options for Kings Hall Leisure Centre following a feasibility study in 2019. Three options were considered.</p> <ul style="list-style-type: none"> • Create no new facilities and undertake basic repair only. • A number of mid level investment options that created some new facilities and brought the leisure centre up to current standards. • Maximise the opportunity for new facilities whilst bringing the building and its facilities up to current standards (preferred design option). <p>5.2 As set out in FCR S126, the decision was taken to progress the preferred design option for the KHLC refurbishment project to the planning stage, in order to gain clarity on the cost of the scheme and the investment case for its delivery. A design team was appointed, and Stage 2 design is in the process of being concluded. During this early design stage, the design team has sought to gain a fuller understanding of the constraints of the building, and its existing context, through the procurement of a range of surveys and consultant reports. This has given an insight into the complexities of the scheme, and the need for early contractor engagement to better understand the most efficient and cost effective way to manage the delivery of the scheme and the risks which it presents as an ageing historic building.</p> <p>5.3 This initial business case recommends the progression of a two stage design and build procurement process in order to secure early contractor engagement into the design process. This report also describes a two stage business case process, whereby a Full Business Case would be recommended to Cabinet for approval, once our recommended PCSA contractor had had the opportunity to review the Stage 3 design and cost plan.</p>

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		<p>5.4 At this juncture, the options considered were thus as follows:</p> <ul style="list-style-type: none"> • Proceed to develop detailed designs for planning/Cabinet Business Case approval without early contractor engagement • Proceed to procure early contractor engagement to help inform the design process as soon as possible, and help inform the Full Business Case to be presented to Cabinet (preferred procurement option - timing) <p>5.5 In a scheme of this complexity, there is a high risk that any Full Business Case which was developed without early contractor involvement, would not comprehensively consider the best way to deliver the works and would potentially underestimate the true cost and risks associated with its delivery. It is for this reason that the option to progress to secure early contractor involvement ahead of any Full Business Case is recommended in this paper.</p> <p>5.6 The procurement routes which were considered are set out below:</p> <ul style="list-style-type: none"> • Option 1 - Find a Tender Service Procurement • Option 2 - Framework Procurement (preferred procurement option - route) <p>5.7 Preferred Option</p> <p>5.8 Following consideration of the procurement routes open to the Council and the drivers of the procurement, a framework procurement approach is the preferred option.</p> <p>5.9 Having considered the frameworks which are available to the Council, the Southern Construction Framework (SCF) Lot 3 has been market tested and selected. This is a tried and tested procurement route (now in its fifth generation), with demonstrable market interest in the scheme, and a pool of contractors who have the skills and expertise to deliver a wet leisure scheme of this complexity.</p>

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		<p>5.10 The Council project team is also experienced in procuring via this framework, with the Britannia Leisure Centre also procured using this framework. This familiarity and experience brings confidence to both the contractor teams and council team, ensuring that the focus is on securing the right outcomes from the procurement process.</p> <p>5.11 It is proposed to weight the evaluation of the first stage of the procurement 70% Quality to 30% Cost, recognising that the driver of selecting a two stage procurement process is to select a partner who is able to work with the Council in the second stage to open book tender a Fixed Price design and build contract sum.</p> <p>5.12 It is also proposed that the project uses the Expressions of Interest responses garnered from the Soft Market Testing exercise as the shortlist phase (MC1), and moves straight to the tender phase (MC2). This is an option presented by the framework and familiar to the contractors.</p> <p>Alternative Options (Considered and Rejected)</p> <p>5.14 The project team undertook a procurement workshop to establish the most appropriate route to procuring a contractor, having first understood the requirements for the project and which procurement routes best suited these requirements.</p> <p>5.15 The procurement route must allow for contractors with experience of wet leisure and working on listed buildings. Due to the complexity of the site constraints, and retention of existing historic features, the project team also felt it was important to procure a two-stage design and build contract, to allow the contractor early design sight and for them to bring their delivery experience into the design. This also allows a contractor to provide some early market feedback on the construction costs.</p> <p>5.16 Given the specialist experience required for the project, a framework route provides the</p>

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		<p>ability to tap into a pre-selected pool of contractors. The Find a Tender Service arguably provides a perceived wider pool of contractors, but in reality, specialist contractors prefer to operate via known framework contracts, where the costs and risks of bidding are known and clear at the outset. They have a tendered and prequalified competitor pool, with competitors of a similar nature and size. As such, the focus of the procurement review was to consider which frameworks offered a pool of specialist contractors, and the ease of procuring via pre-tendered frameworks.</p> <p>5.17 The following frameworks were reviewed:</p> <ul style="list-style-type: none"> • Crown Commercial Service (Lot 4) • LHC (London and South East) • Pagabo (South East, Lot 3) • Procure Partnerships Framework (London) • Scape Major • Southern Construction Framework (Lot 3) - recommended