



<p>TITLE OF REPORT: In sourcing of Market Stall Management</p> <p>BUSINESS CASE</p> <p>Key Decision No. NH R.12</p>	
<p>CABINET PROCUREMENT & INSOURCING COMMITTEE MEETING DATE (2021/22)</p> <p>4th October 2021</p>	<p>CLASSIFICATION:</p> <p>Open with Exempt Appendix</p> <p>By Virtue of Paragraph (s) 3, 4,5 and 6, Part 1 of Schedule 12A of the Local Government Act 1972, Appendix 1 is exempt because it contains in para 3 - information relating to the financial or business affairs of any particular person (including the authority holding the information),in para 4 - information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority; in para 5- information in respect of which a claim to legal professional privilege could be maintained in legal proceedings; and in para 6 - information which reveals that the authority proposes a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; and it is considered that the public interest in maintaining the exemptions outweighs the public interest in disclosing the information.</p>
<p>WARD(S) AFFECTED</p> <p>All</p>	
<p>CABINET MEMBER</p> <p>Cllr Guy Nicholson</p> <p>Planning, culture and inclusive economy</p>	
<p>KEY DECISION</p> <p>Yes</p>	

REASON

Affects two or more wards
Spending/or saving

GROUP DIRECTOR

Ajman Ali - Group Director, Neighbourhoods & Housing

1. CABINET MEMBER'S INTRODUCTION

- 1.1. The Council's much-loved street markets have remained a cornerstone of Hackney's communities for generations. They are part of Hackney's identity and along with providing a vast and diverse array of goods and produce, gives Hackney's residents and visitors valued interaction and engagement with each other alongside a unique shopping experience.
- 1.2. Over the past 5 years the Council's Markets Service has transformed the performance of its street markets making them more attractive for traders and costumes alike, growing pitch occupancy, regularising its trading regime and stabilising its financial management achieving break even position for the first time in 2017 and every year since until the pandemic.
- 1.3. The Service has received industry recognition winning multiple awards from both the National Board of Markets and the Mayor of London for its exceptional management and support of Hackney's young people and entrepreneurship. The Service continues to seek growth opportunities in supporting fledgling businesses and start-ups as well as managing its operating costs and carving out savings where possible in order to achieve maximum efficiency and value for money for the organisation.
- 1.4. The Service has undertaken a comprehensive review of the existing arrangements for the set up and take down of stalls at the Council's markets. It has explored the outsourcing of these functions to a suitable provider, as well as operating this service in house; and has concluded that insourcing is now in the best interests of the Council.
- 1.5. The detailed proposals to insource the functions of the setting up and taking down of stalls and related equipment on the Council's markets will result in significant cost savings (Set out in Appendix 1), the creation of up to 29 employment opportunities for local people to work directly for the Council, a consistent and transparent service provision to market traders whilst eliminating the risks associated with arms length management and reliance on a 3rd party contractor to deliver this specialist service throughout the year.
- 1.6. I commend this report to the Cabinet Procurement and Insourcing Committee for approval to in-source the set up and take down of stalls and related equipment at the Council's markets which will generate savings, improve service delivery and bring these functions in house in full.

2. GROUP DIRECTOR'S INTRODUCTION

- 2.1. Each year the Council's Markets Service provides approximately 20,000 pitches on-street to facilitate the wide array of the borough's diverse traders and their commodities. The Council does not currently have a universal contractual agreement with an external service provider for erecting and dismantling street market stalls. This means that the daily set up and take down of stalls is carried out on a varied and ad-hoc basis across all Hackney Markets.
- 2.2. The Mayor's 2018 Manifesto and the Sustainable Procurement Strategy 2018-2022 included a commitment to review all outsourced services with a view to bringing them in-house.
- 2.3. Market stall set up services have been operated by a number of both contracted and non contracted operators since first being outsourced in 2013. In 2019 Officers carried out a procurement exercise to formalise this process and de-risk the Service by putting in place a dedicated universal operator to undertake all stall set up services across the borough.
- 2.4. The successful bidder was delayed in commencing work for the council whilst pandemic restrictions prevented markets from opening. Once restrictions were lifted and markets began re-opening, Officers discovered that the important formality regarding Elite's signing of the contract had yet to be completed.
- 2.5. The bidder refused to sign the contract as the situation had changed due to the pandemic and attempted to renegotiate the terms of the contract. A temporary contract was agreed to avoid disruption to the service as the Council could not step in at that stage to run the service itself. The Council did a full review of service to ascertain the best option for securing the future of the markets going forward.
- 2.6. This report seeks Director approval to now insource the Market Stall Management functions through the creation of a new establishment of posts and procurement of vehicles and equipment to undertake the works involved to operate these important functions in-house. This will also generate savings, improve service delivery and return the set up and take down of all of the local authority street markets, events and street trading sites to the Council in full (details in Appendix 1 Section 1, 2 and 3).

Previous Arrangements

- 2.7. Hackney Markets stall set up services have been operated by a number of both contracted and non contracted operators since first being outsourced in 2013. In 2019 Officers carried out a procurement exercise to formalise this process and de-risk the Service by putting in place a dedicated universal operator to undertake all stall set up services across the borough.
- 2.8. Previously two local service providers operated exclusively to a minority of participating markets. These providers are unable to offer competitive rates or the required scale and flexibility due to the smaller volumes of gazebos within these markets and operate on various standards and terms.

- 2.9. These service providers also attempted to impose additional charges on both the Traders and the Council, as well as failing to set up and dismantle specific market sites in order to exert control of the Council and the market traders on numerous occasions.
- 2.10. To mitigate and remove these risk factors, a comprehensive and thorough analysis of Hackney Council's current arrangements was conducted including a detailed procurement exercise to award a contract to a universal supplier to erect and dismantle street market stalls across all Hackney Markets. Through replacing its current arrangement with a universal supplier, the Council would enable all traders to benefit from improved service delivery, savings and ultimately better value.
- 2.11. The Council would have then had in place a contracted framework in which to manage and improve standards of service and safety for all traders across all of its markets and produce a cost saving to the Council.
- 2.12. However the service we were procuring for is a very niche area and there are limited experienced operators available within the market. In September 2020 a Supplier was initially awarded the universal contract following a successful procurement exercise with the Contract was due to commence 1 January 2021. However due to lockdown restrictions at that time this was not affected until March 2021 when markets were able to re-open.
- 2.13. The newly awarded contractor then refused to sign the contract due to changes in market conditions. A temporary contract was agreed with the provider to continue service. This prompted the service to undertake a further review of options to determine the best way to secure the future of the market service.

Actions Undertaken to Standardise the Service

- 2.14. Hackney Council's arrangements for the set up and take down of stalls and gazebos are currently considered to be too varied and unable to offer both value for money and the best possible universal standards for all of its market traders.
- 2.15. Existing arrangements and standards for stalls set up and take down are not universal and vary considerably across each Hackney Market. These include traders either servicing themselves or employing third parties on an ad-hoc basis. This often leaves the Council and traders open to expensive additional charges being levied significantly increasing risks to all parties aside from the third party.
- 2.16. The Markets Service subsequently reviewed options available to the Council and to mitigate risks to the integrity and operational delivery of the service have implemented an interim Short Term Contract with an increased price to end on 31 December 2021.
- 2.17. Having reviewed all options open to the Council, officers have concluded that an in-house market stall management service under Parking and Markets

Services is the most practicable, risk mitigating and cost-effective option out of all the options considered.

- 2.18. It was these circumstances that previously informed the recommendation to undertake a competitive tender process. It is now apparent the most viable solution to protect the integrity and operational delivery of the Council's successful local authority operated markets is now to in-source the whole operation.
- 2.19. This option will enable the Council to offer improved service and safety standards to all of its traders. It will also enable the Council to offer traders an increase in savings and be in a position to invest additional savings back into the service to enhance the existing markets and continue to grow and develop new trading opportunities, which will support both the local economy and employment whilst providing best value for money for all parties.
- 2.20. The Council's expenditure on outsourced stall management for our markets and street trading sites is outlined in Appendix 1 in sections 1 and 2.
- 2.21. The existing short term contract (STA) is due to expire on the 31st December 2021 with no option for a further extension. Market stall management is the only statutory function in the market services that Hackney Council has outsourced.
- 2.22. In 2020 Markets, Shop Fronts & Street Trading Services commenced a review of the existing Stall Management suppliers and the overall delivery of the set up and take down of stalls in all of our markets and street trading sites. This led to the service carrying out an insourcing appraisal and business cases to assess the viability of insourcing.
- 2.23. These Proposals are not subject to consultation with staff and trade union representatives.

3. RECOMMENDATION(S)

Cabinet Procurement Committee is recommended to:

- 3.1. Approve the insourcing of the stall management service from the temporary external contractor before the contract expires in December 2021 to enable greater security, accountability and transparency on behalf of the Council and protecting the integrity of our trading operations.
- 3.2. Approve the Financial Business Case in Appendix 1.
- 3.3. Approve the Procurement of Infrastructure specifically procurement of new vehicles to operate the new service listed in Appendix 1.
- 3.4. Approve the budgetary creation and costs highlighted in Appendix 1.
- 3.5. Approve the new structure proposed in Appendix 2.

- 3.6. Approve the new proposed job descriptions in Appendix 3.
- 3.7. Approve the creation of an establishment of posts and officers to undertake activities to erect and dismantle street market stalls across all markets and street trading sites operated and managed by Hackney Council.
- 3.8. Approve the replacement of the existing arrangement for erecting and dismantling street market stalls across all of Hackney Council's markets.

Cabinet is also recommended to:

- 3.9. Note the contents of the report and the recommendations made in relation to changes made to the current logistical arrangements for erecting and dismantling street market stalls across all of Hackney Council's markets.
- 3.10. Note the estimated cost saving of £70,285 per annum on a rolling 12 month basis and £351,425 over the next five years on the basis that Market Stalls Management and operations are brought in house.
- 3.11. Note that the proposed change to the existing agreement will support the Council's sustainability and economic development initiatives with increased savings for traders and the council as well as increased flexibility and improved levels of service delivery.

4. RELATED DECISIONS

- 4.1. Not applicable.

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

5.1. Background information and business case

- 5.1.1. Current arrangements for the management of market stalls are specific to each of the Council's markets, with traders either servicing their own stalls, employing third parties on an ad-hoc basis which on many occasions feeds into local anti-social behaviour and illegal activity, or relying on smaller service providers under variable charges and terms. The Council has previously therefore identified the need to either establish a universal contract with a suitable provider who will enable set up and disassemble market stalls across all of its markets and carry out the cleaning of the equipment as and when requested or in-source the operation.
- 5.1.2. It was decided to undertake a procurement process and award a universal contractor to a singular operator with a view to capitalising on the savings provided and seek to bring the entire operation in house at the end of the contracted period. This would provide the Council the opportunity to utilise the savings to put in place the appropriate infrastructure to support the insourcing

of the operation at a later date which would provide further savings and safeguard the long term stability and futures of all council operated markets.

- 5.1.3. Both the new universal contract or insourcing of the operation facilitate transparency and accountability on the behalf of both the Council and our licensed traders who pay fees and charges towards the delivery of our statutory duties. Existing agreements between service providers and individual markets are at present not able to guarantee services at a standard rate. Current costs are variable and dependent upon the terms of each service provider. The Council is therefore in a vulnerable position if needing to terminate engagements with existing service providers because of the difference in costs as this carries a considerable risk to service provision and to the livelihoods of Hackney market traders
- 5.1.4. This risk was further exacerbated when the tendered operator was unable to provide the services at the agreed due to market changes,
- 5.1.5. An interim agreement has been put in place in the form of a Short Term Agreement to mitigate this risk but now requires an immediate and long term solution put into place that not only mitigates the risk of an operator attempting to act or operate in this manner but to also safeguard the long term sustainability and delivery of our markets.
- 5.1.6. Over the last three years the Markets Service has set about procuring all of the Stalls and equipment for each market operation and as of the end of 2020 the Council now owns all of these which provides an additional layer of security for the Council and licensed traders.
- 5.1.7. Insourcing service provisions for erecting, dismantling and cleaning the stalls across all Hackney markets would demonstrate a per unit cost reduction in line with increased levels of output. This would then enable the Council to pass on these savings directly to market traders, service the deficit created by the covid pandemic and to significantly reduce the cost of stall hire on a borough wide level.
- 5.1.8. The Council's sustained growth in occupancy across all of its markets depends upon its actions in facilitating and enabling market trading throughout the borough. By providing its traders with Council-owned stalls and a service to assemble and disassemble them, the Council is in a position to meet its occupancy growth targets, and thus support its commitments to business and enterprise within the borough.
- 5.1.9. Current arrangements for the management of market stalls are resource intensive and lack universality on the part of each administrative process required by each of the individual providers. The adoption of insourcing the whole operation for setting up and taking down market stalls will therefore work to normalise cumbersome and superfluous administrative processes. It will also function to make better use of Council officer time and to create further efficiencies and cost savings.

5.1.10. Council's expenditure on existing non contracted suppliers is outlined in Appendix 1, sections 1,2 & 3.

5.2. Insourcing

5.2.1. In line with the Mayor's 2018 Manifesto and the Sustainable Procurement Strategy 2018-2022 which included a commitment to review all outsourced services with a view to bringing them in-house an insourcing appraisal has been carried out.

5.2.2. The comprehensive and thorough insourcing appraisal undertaken by Council officers has concluded that an in-house stall management service under Parking & Markets Services is the most practicable, lowest risk and cost-effective option out of all the options considered. The insourcing of the stall management service will also deliver savings to the Council.

5.2.3. Managing the process of insourcing the stall management service will include an initial 'drag and drop' of the existing operation into Parking & Markets Services without any changes to the current day to day operation. It will require the creation of a new establishment and posts that will then need to be subsequently recruited.

5.2.4. At this stage due to the non contracted basis it is not clear if TUPE is a factor and if so we will seek to transfer across any or all employees who wish to transfer across and these staff will remain on existing terms and conditions for 6-12 months to allow for full-service review, consultation with staff and redesign of the service if required.

5.2.5. After the service structure review is completed the overall staffing costs are expected to cost less than outsourced costs (Appendix 1 Section 1). The main reason for the increase in staffing costs is the transition from non council employees to newly created established posts under the Council's terms and conditions which is a significant improvement on their current terms and conditions, the main difference being membership of the Local Government Pension Scheme.

5.2.6. The initial HR evaluation of the roles within a restructured stall management service was undertaken to estimate the costs of the insourced service. Details of the costs estimated are included at Appendix 1, sections 1 & 2. The job descriptions have undergone indicative scoring from two HR business partners and can be found in Appendix 3. These are not subject to change as TUPE is not deemed appropriate in this circumstance.

5.2.7. The overall insourced service operational costs are forecasted to be lower than outsourced, details of savings can be found in Appendix 1, sections 1,2 & 3. The savings will be predominantly achieved by eliminating all margins that external contractors apply on top of the service costs, using resources more efficiently, the procurement work of all stalls and equipment by the market's service and by integrating with existing Council's services.

- 5.2.8. There are no other elements of the service that are outsourced, Future costs are forecasted to remain at a similar level due to the ongoing growth and expansion of the service. This option represents the best value for money for the Council and delivers savings where possible.
- 5.2.9. The breakdown of the proposed new establishment and associated costs for the insourced service can be found in Appendix 2.
- 5.2.10. A table illustrating breakdown of costs and savings over the next five years , set out per each financial year between the outsourced costs and the insourced costs can be found in Appendix 1.

5.3. BENEFITS REALISATION / LESSONS LEARNED

- 5.3.1. The current non contracted operators provide a weekly breakdown of their costs, which the Council is liable to pay. This can fluctuate widely and the Council have previously and are currently at risk of operators taking advantage of the limited competition available within this niche market in which this type of service is found.
- 5.3.2. Whilst Officers have reviewed charges and arrangements in place at other local authorities as part of the London Street Trading Benchmarking Group and the LEDnet Markets Peer Review, cases which were adequately compatible or comparable could not be found.
- 5.3.3. Collaboration with other local authorities through the London Contracts Supplies Group, (LCSG) and Pan London Contracts have also been explored with limited success.
- 5.3.4. The majority of other London market boroughs are not comparable in size or scope to Hackney's Markets Services. Those of which are comparable such as Tower Hamlets, Camden and Southwark all operate stall management of their markets in a scattergun approach with a mix of trader involvement, service involvement and third parties. None of these services have put in place a universal contract or insourcing of this type of service.
- 5.3.5. This also raises the possibility of commercialising the service once brought in house and established, potentially using it as a commercial vehicle to derive additional income with the setting up and dismantling of other local authority markets. During the benchmarking exercise this was raised and many services registered an interest in exploring this option if available.
- 5.3.6. The in-house stall management service will adopt a new approach that will be demand-led. In essence, We will have 100% control and the ability to flex up and down based on demand and full control of the end to end process without having to rely or be beholden to a third party contractor.
- 5.3.7. The Council has reviewed KPIs for the service to be performed managed on and details can be found in Appendix 6.
- 5.3.8. One of the key drivers for insourcing Council services is to remove the risk posed by third party contractors taking advantage or holding the Council

hostage in regards to charges and the ability to set up and successfully operate our street markets and other related activities.

5.3.9. Another key driver will be the ability to offer flexible part time positions with improved job security and work life balance to people within the local community. It is expected that by insourcing this service and recruiting locally as well as potentially moving any staff from the non contracted operator to the Council on improved pay and conditions, this will increase staff morale which in turn will result in better performance and reduced staff turnover particularly as the workforce will also benefit from being under Council management structure with clear career progression and development opportunities.

5.4. **Strategic Context:**

5.4.1. The Mayor's 2018 Labour Manifesto included a commitment to review all outsourced services with a view to bringing them in-house.

5.4.2. The insourcing of Stall Management Services is in line with at least 4 of the Mayor's 5 overarching priorities for the Council:

- Insourcing helps to tackle inequality by better job opportunities.
- This ambitious proposal will allow the Markets Service to further enhance and develop an existing well-run service that delivers high-quality public services and financial stability.
- Supports and stimulates both local economic development and employment as well as playing an integral part in the creation of inclusive economies across the borough.
- Markets, Shop Front and Street Trading plays a key part in prioritising quality of life and the environment; Supporting local businesses and high streets to thrive and prosper, increasing diversity, value and quality Providing safe , well managed social and economic community spaces and providing more jobs and low cost effective ways in which local people can derive an income or start a business in the same place in which they reside.

5.4.3. Bringing the Service in-house will facilitate a level of transparency and accountability on the behalf of the Council that has not been achieved previously. Existing agreements between service providers and individual markets are at present not able to guarantee services at a standard rate or level of consistency across all trading sites. Current costs are variable and dependent upon the terms of each service provider and these variable costs under the legislation must be passed back onto the traders. The Council is therefore in a vulnerable position if needing to terminate engagements with existing service providers because of the difference in costs as this carries a considerable risk to service provision and to the livelihoods of Hackney market traders

- 5.4.4. Service provisions being supplied by the Council for erecting, dismantling and cleaning the stalls across all Hackney markets would demonstrate a per unit cost reduction in line with increased levels of output. This would then enable the Council to pass on these savings directly to market traders in the form of improved facilities, trading equipment and to significantly reduce the cost of stall hire on a borough wide level.
- 5.4.5. The Council's sustained growth of market pitch occupancy across all of its markets depends upon its actions in facilitating and enabling market trading throughout the borough. By providing its traders with Council-owned stalls and a service to assemble and disassemble them, the Council is in a position to meet and exceed its occupancy growth targets, and support its commitments to business enterprise.
- 5.4.6. There is limited scope for any continued improvements to services within Hackney Council's current provisions for stall management. These provisions require some Hackney market traders to service the setting up and taking down of their own stalls while others are beholden to the variable charges and the unregulated levels of service offered by existing localised providers.
- 5.4.7. Current arrangements for the management of market stalls are resource intensive and lack universality on the part of each administrative process required by each of the individual providers. The adoption of bringing the service in house will therefore work to normalise cumbersome and superfluous administrative processes. It will also function to make better use of Council officer time and to create further efficiencies.
- 5.4.8. The Council's current provisions for stall management therefore needs to be improved upon in order to deliver a service which is safer, more efficient, more transparent, and fairer to traders. The insourcing of stall management across all of Hackney's markets will enable the service to be 'Fairer', 'Safer', and 'More Sustainable' in accordance with each of the Mayor's priorities. It will also support the Council's duty towards best value and promoting efficiency.
- 5.4.9. The Council faces unprecedented financial challenges as a result of the COVID-19 pandemic and this proposal will generate certain savings of approximately £145k per annum. A full breakdown can be found in Appendix 1 Section 1,2 & 3).
- 5.4.10. This will also create multiple opportunities for the Council to achieve further savings or income generating opportunities and efficiencies by reviewing the insourced service and potentially expand the operatives role to also incorporate other types of service functions that the Council has.
- 5.4.11. **Preferred Option:** Is to in-source the stall management service which will generate certain savings per year, improve service delivery and return the management of stall management activities to the council in full.

5.5. ALTERNATIVE OPTIONS (CONSIDERED AND REJECTED)

Option 1: Re-tender the same Universal contract for a Singular Supplier:

5.5.1 Advantages:

- 5.5.1.1 The main benefit of this option is that it's the quickest option to implement as the contract & specifications are already drafted and the same scoring mechanism could be used as before, providing a quick and easy tender process and new service provision
- 5.5.1.2 The Council will have the opportunity to deliver a single solution, which meets the needs of all of its market traders and is contracted to operate within the days and hours stipulated in the contract. The Council is able to ensure no variations in cost for the service and can also agree universal and standardised service levels across all of its markets.
- 5.5.1.3 The Council can most appropriately discharge its duty to deliver a best value service to all of its market traders. This is demonstrated through the anticipated savings of £216,855 over 3 years and £351,425 over 5 years.
- 5.5.1.4 It can also deliver a best value service to traders in non-monetary terms with universal standards in both safety and service guaranteed for all traders

5.5.2 Disadvantages:

- 5.5.2.1 The service has already undertaken this process recently (2020) and with this service falling into a very small niche market there are limited operators and options available to the Council. Prior to 2020 the service was tendered and the competition was limited and it was difficult to standardise the service.
- 5.5.2.2 The existing contract model does not provide any incentive for the contractor to deliver savings. This is mainly due to the fact that for savings to be achieved a reduction in margin for the contractor must be applied. This is partially due to the multiple locations which makes it more difficult to achieve savings due to limited profit margins.
- 5.5.2.3 The KPIs outlined in the contract are based on the service demands and measures before the pandemic, which has had a negative effect on overall number of licensed traders and will take time to grow this number to the same or above pre-pandemic levels. As a result, the current contract would not provide the best tools for the Council to respond to the current priorities such as supporting existing businesses and traders or providing cost effective ways in which to attract new start ups or existing businesses to operate within the borough. The KPIs could be tweaked, however this would not necessarily eradicate the impact of the pandemic.
- 5.5.2.4 The current contract model does not provide the best value for money to the Council as the contractor has no incentive to provide the most efficient service, as long as the contractor meets the KPIs they will receive their income, which does not provide the best service to our traders, patrons and does not reduce the complaints received.
- 5.5.2.5 The current contract has multiple subcontractors over which the Council has no control. Furthermore, the Council has no control over the actual fees charged by the sub-contractor and as a result, value for money can

not be guaranteed. This is another area where the Council could achieve better price, reduce risk and significantly improve controls directly.

- 5.5.2.6 Although there are currently minimum damages for under-performance in the contract, therefore, if the contractor fails to deliver the service the Council is still liable for the costs and the reputational and economical damage it will do to the service and trailers. The only reduction would be the last set up deductions. This is a very safe model for the contractor as regardless of their performance they will not operate at a loss on this contract.
- 5.5.2.7 This contract model also does not incentivise the contractor to exceed KPI performance, once KPIs are achieved then activity reduces - there is room for the service provider to exploit this by making savings towards the month-end by reducing the service as the KPI has already been met.

Option 2: Tender a new contract arrangement (multiple lots)

- 5.5.2.8 Based on the lessons learned from the existing contract and based on the feedback and knowledge gained from benchmarking, the new contract model would have to be split into multiple lots. This option considers the contract in 5 lots. A single provider can win all lots. The proposed lots are as follows:
- Lot 1 - Set up & Dismantle of Hoxton & Kingsland Markets
 - Lot 2 - Set up & Dismantling of Broadway Market & Chatsworth Rd Market
 - Lot 3 - Set up & Dismantling of Chatsworth Rd Market
 - Lot 4 - Repair and Restoring of Stalls and Gazebos
 - Lot 5 - Periodic Cleaning of all Stalls and Gazebos
- 5.5.2.9 In the existing contract, a contractor who fails to achieve KPI does not need to pay any damages unless they are late in setting up or closing down each market or fail to do so on any occasion. There is no increase in severity of penalty for consistent failure to do so and all contract options leave the council at risk of operators walking away or failing to deliver the set up of any of our operations long term.

5.5.3 Advantages:

- 5.5.3.1 This provides the Council with greater control over each element of the contract.
- 5.5.3.2 With potentially multiple providers this will provide greater flexibility and competition between contractors and, in turn, provide better services for the Council and provide potential contingencies in the event of 1 or more operators failing to turn up or set up a market.
- 5.5.3.3 One provider can tender for multiple lots, which may provide better value for money when the economies of scale are applied.
- 5.5.3.4 Reduces the need for the main contractor to use sub-contractors as this can be done directly by the Council.

- 5.5.3.5 This provides greater flexibility for the Council in implementing change in its services as only a single lot can be affected as opposed to large contracts being changed.
- 5.5.3.6 A smaller number of KPIs per each lot but a greater number of KPIs as a whole can be monitored.
- 5.5.3.7 A service credit model will provide the Council with an improved contract model that will incentivise the service providers to exceed their KPI measures in order to achieve performance payments and not be rewarded for simply carrying out their contractual obligations as they are under the current model.

5.5.4 Disadvantages:

- 5.5.4.1 Having multiple contractors working together can create compatibility and cooperation issues due to different systems being used by each provider or contractors looking to pass on the blame to other contractors for failures or non-delivery of services.
- 5.5.4.2 Each lot would require a separate tender process and this would create additional workload in comparison to a single lot tender.
- 5.5.4.3 Based on the fact that this may require multiple contractors there is little chance of economies of scale being applied to the contract, which could cumulatively cost more and the costs of contract management would increase.
- 5.5.4.4 In cases where there is a staff shortage, it may be more difficult for each provider to deliver their contract as they will be unable to share staff between different parts of the service.
- 5.5.4.5 Fewer savings may be delivered as it will have an impact on each provider and would require contract variations.
- 5.5.4.6 Based on the fact of multiple lots there might be multiple different unions involved, one for each provider making it more difficult to manage staff and union relations consistently.
- 5.5.4.7 During a period of handover, there is a risk to the delivery of the service. Based on different aspects of the contract being directed to potentially new contractors from existing one there is a significant risk that the service will not be delivered for a period of time.
- 5.5.4.8 TUPE transfer will be more complicated as there will be multiple staff potentially transferring to different providers. There is a risk of some roles being split due to the different areas of responsibility being won by different contractors.

Option 3: Remain within the previous existing structure of localised providers and self-service options

- 5.5.4.9 This option should not be considered as it would maintain the current disparity in variable charging and would not address the need for a standardised arrangement for agreed service levels and fixed charges. It would also maintain variations in standards and incongruences between

the self-servicing traders and those who are serviced by these localised providers.

5.5.5 Advantages:

- 5.5.5.1 This places the element of risk and general costs with the trader and small businesses we license to operate.
- 5.5.5.2 Localised providers will have a greater understanding of the logistics and challenges faced within the borough and potentially will be better placed to navigate these effectively.
- 5.5.5.3 One provider can tender for multiple lots which may provide better value for money when the economies of scale are applied.
- 5.5.5.4 Reduces the need for a main contractor and the costs associated with having one in situ.

5.5.6 Disadvantages:

- 5.5.6.1 Having no control over the individuals working within our public markets with no evidence of employment checks and risk to the public taking place.
- 5.5.6.2 Previous experiences highlight the opportunity for non traceable cash transactions and fuelign of illegal and locally damaging economies.
- 5.5.6.3 Reduced financial and job security for those who are undertaking the manual labour of setting up and taking down the stalls. Loss of development and career opportunities within the council.
- 5.5.6.4 In cases where there is a staff shortage, it may be more difficult for each provider to deliver their contract as they will be unable to share staff between different parts of the service.
- 5.5.6.5 Negative impact to the Council's ability to support new and existing traders will lead to a decline in occupancy and income for the council.
- 5.5.6.6 No KPI's or performance management will see a severe and sharp decline in standards and services offered within the public markets in Hackney.
- 5.5.6.7 The Council would lose control of the curation and overall set up and takedown of its own Markets.

5.5.7. Success Criteria/Key Drivers/Indicators:

- 5.5.7.1 The main KPI targets will be linked to the reliability and safety of the service, which connects to two of the Mayor's New Priorities, ensuring that the Council offers 'Safer' and 'More Sustainable' services. These KPI targets will also relate to a strategic aim from the Hackney Markets Strategy 2017-20 to 'Ensure our Markets are managed fairly and transparently'.
- 5.5.7.2 At this stage these are anticipated to include the following. The precise target levels for each will be defined later in the process:

- Customer Complaints. To be monitored in line with Council's current customer complaints response targets for street markets and are not expected to be set higher than the minimum of 95%.
- Customer Satisfaction. Levels will be evaluated from quarterly collected customer satisfaction data from Hackney market traders.
- Operative Performance Criteria. These will be subject to monthly progress reporting and check ins to be measured against the operatives ability to:-
 - Assemble and disassemble set volumes of stalls at allocated times across different markets.
 - Accurately erect and dismantle market stall inventories according to prescribed and mapped locations within each market.

5.5.7.3 On the basis that the service is brought in house, the Council will carry out a full review of the service delivery and will introduce new KPIs.

5.5.7.4 All KPIs from the current contract will continue to apply and will be reviewed to make sure that these are up to date and take into account service changes.

5.5.7.5 A detailed training plan and time trials have been put into place in readiness for all new operatives to ensure there is no drop in current performance levels and to ensure that service does not fall behind.

5.5.7.6. A full list of existing KPIs can be found in Appendix 6.

5.6. Whole Life Costing/Budgets:

5.6.1. The detailed breakdown of the cost per year is outlined in Appendix 1 section 1,2 & 3. Once the service is brought back in-house and the restructuring and recruitment of officers and operatives is completed, the service will achieve savings for the Council. (Appendix 1, Section 1).

5.6.1.1. There are potential additional costs for initially insourcing, recruitment and procuring of infrastructure required and a revised budget has been included in the implementation plan, (outlined in Appendix 1 section 3). These additional costs would only apply in 2021/22 and will be covered entirely within Market Services budgets. There is no requirement for implementation funding.

5.6.1.2. Other costs associated with the implementation and delivery of this service would be to procure one (1) vehicle to undertake the movement of heavy duty equipment from site to site such as Stalls, Gazebos and weights. These would be procured through fleet services with a focus on Electric and Biodiesel vehicles to ensure we meet our commitments to the Mayor's Manifesto Commitments. In addition they would then require Parking Permits to ensure they can park and load/unload safely. The budgets will need to be increased to reflect these additional costs A full breakdown of proposed vehicles to be procured provided by Norman

Harding in Fleet Services, parking permits and projected running costs can be found in Appendix 1 sections 3 and 4.

- 5.6.1.3. The other budgets that will need to be increased to pay for additional infrastructure would be uniform and stationary to ensure the officers and operatives had the correct Personal Protective Equipment and stationary to complete the role within Health & Safety guidelines and to the high standards required. These estimated costs can be found in Appendix 1.
- 5.6.1.4. Part of the proposed savings will need to be used to budget for the cleaning, repair, replacing of; and restoration of existing stall equipment to ensure the service continues to be self funding. This budget is outlined in Appendix 1 section 3.
- 5.5.1.5. The primary drivers for the proposals set out in this report are to:-
- Deliver improved levels of transparency and accountability on the parts of both the Council and the service provider.
 - Facilitate some financial savings over the life of the proposed contract.
- 5.6.1.6. With Cashable savings - potential annual cashable savings includes:
- Broadway Market - £66,660 : By insourcing the set up and dismantling of the market instead of using a contractor, Where we are able to apply a fixed non variable standard rate it is anticipated that the following costs will be greatly reduced from 2022/23. Please note these numbers are variable and will fluctuate from week to week:
 - The Council's current annual charge of £194,000, (based on an annual average of 124 stalls per week charged at £30 per unit). As Hackney Council now owns both the stalls and the storage facilities, reductions in cost are estimated to achieve a saving of approximately £127,340 per annum.
 - Chatsworth Road Market - £44,440. Similarly conceived reductions in costs are also projected here from 2022/23:
 - The Council's current annual charge of £49,400, (based on an annual average of 38 stalls per week charged at £25 per unit). Reductions in cost are estimated to achieve a saving of approximately £4,960 per annum.
 - Kingsland Market - £11,110. Savings are also anticipated here from 2022/23:
 - The Council's current annual charge of £16,800 (based on an 8 monthly average of 12 stalls per week charged at £40 per unit). Reductions in cost are estimated to achieve a saving of approximately £5,690 per annum.
 - Hoxton Market: £33,330. This achieve the following savings from 2022/23

- The Council's current annual charge of £50,068, (based on an annual average of 55 stalls per week charged at £17.50 per unit). Reductions in cost are estimated to achieve a saving of approximately £16,738 per annum.
- Ridley Road Market - Zero savings: At present, the traders are currently paying between £25 - £30 per week to individuals who are using this money to invest in anti-social behaviour activities i.e. drug trafficking within the market. The Council's proposal to include this market in the tender contract will enable us to deliver a service which is safer, more efficient, more transparent, and fairer to traders. It will also support the Council's duty towards best value and promoting efficiency. This market will be reviewed during the life of the tender contract, and will provide the Council with the time to undertake a consultation process and share the proposal of providing the stall/gazebo setup and takedown with all the Ridley Road traders. This will form part of the new Markets Strategy to be published in 2022.
- An on site supervisor to attend sites and be accessible throughout the trading day was previously supplied on a weekend only basis at a cost of £7,582. This report proposes we appoint a full time Supervisor to oversee and plan the logistical operation on a full time basis. This cost £39,298 and will result in an increase in costs of £1,962 per annum.

5.6.1.7. The total expected savings from 2022/23 per annum are approximately £70,285 per annum based on the 2019/20 52 week average.

5.6.1.8. Cashable savings, as detailed in Appendix 1, section 1 and highlights the approximate cashable savings over the next 5 year term would be £351,425.

5.6.1.9. With the more efficient management of the workforce under the Council control there is a potential for further savings and improved income generation with the additional option of commercialising the service and tendering to operate the stall management of other local authority markets services.

5.7. Policy Context:

5.7.1. The Mayor's 2018 Manifesto included a commitment to review all outsourced services with a view to bringing them in-house.

5.7.2. The insourcing of Market Services is in line with at least 4 of the Mayor's 5 overarching priorities for the Council:

- Insourcing helps to tackle inequality by providing better job opportunities.

- This ambitious proposal will allow the market service to create a well-run service that delivers high-quality services and long term financial stability.
- Markets play a key social and economic role with the borough and are a key lever in the development of local inclusive economies.
- Further supporting local businesses and high streets to thrive and prosper, increasing diversity, value and quality which in turn creates and generates more jobs and improved local employment opportunities.

5.7.3. The measures in this report follow on from the Hackney Markets Strategy 2017-20, approved by Cabinet in March 2017. In line with Hackney's statutory duties under the London Local Authorities Act 1990, the Strategy seeks to 'secure the financial sustainability of all its markets' and to work with traders and associations to "seek new methods of financing including through operational efficiencies".

5.7.4. These aims are also aligned with those of the Council's Sustainable Community Strategy 2018-2028, the Local Development Framework, Core Strategy 2010-25, and the Sustainable Procurement Strategy 2018-22.

5.7.5. Examples of how the proposed insourcing for market stall management would further Hackney's policy objectives include:-

- Allowing the Council to be fully fair and transparent with all of its traders to apply high quality universal standards for stall management across all of its markets.
- Enabling the Council to pass on savings to traders as a result of greater operational efficiencies.
- Enabling and encouraging entrepreneurialism by facilitating ease of trade and Best Value to traders.

5.8. Consultation/Stakeholders:

Staff and union consultations

5.8.1. It is still unclear at this time if the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) will apply to all permanent posts within the provider and as a result, the Council may have to carry out consultations with all affected current providers staff, unions and HR.

At present the existing supplier are not a contracted supplier and had been using full time operatives from another arm of their organisation to undertake the stall management actions each week, This highlights that currently the works undertaken are not the operatives main source of income or employment and it is these two pertinent issues that suggest TUPE is not applicable in this circumstance but Councils HR and Legal Services are exploring this issue.

The existing contract to protect the integrity of the operation and mitigate the risk of the contractor not setting up the Council's street markets is due to expire on 31st December 2021 with no further option of extension. Ace Events are also using full time operatives from other arms of their organisation to currently deliver the service under the terms of the temporary contract.

The current COVID-19 pandemic is expected to have a significant impact on the way consultations are carried out and as a result, it is anticipated that it will take longer than normal to complete these. Such a process normally takes 6-months, however, as large group meetings will be impossible due to existing restrictions the process can take up to 9 months. It will have to be completed at the latest in November 2021 to allow sufficient time for the transition to take place before the contract expires on 31st of December 2021. Virtual meetings will be explored to ensure all staff can attend at the same time with relevant stakeholders and representatives.

Finance and an establishment for staffing has been factored into the costs after the service is brought in-house. Details of HR staffing are outlined in Appendix 2.

If the TUPE consultations must be carried out and if the service is to carry out a restructure within 2 years from the point of transfer then this will require a further consultation in line with restructuring guidelines. This will also require consultations with union representatives. This provision would apply regardless of whether the service is insourced or outsourced. The Council will carry out a second consultation after the "drag and drop" TUPE transfer in regards to the new structure. At this point in time we do not believe we will have to undertake this process.

5.9. Risk Assessment/Management:

There are certain risks associated with the process of insourcing the service and these have been evaluated as part of the Equality Impact Statement which can be found in Appendix 5.

6. SUSTAINABILITY ISSUES

6.1. Procuring Green

The insourcing will result in the existing contractor's fleet of diesel and petrol vehicles being replaced with Council owned/leased electric vehicles. This will result in less older, higher polluting diesel vehicles being used in and around the borough This will also drive a lower monthly cost of maintaining the service.

Other positive impacts on environmental sustainability from the insourcing of the service will enable Hackney market traders to make use of equipment and storage facilities in close proximity to their markets. This will reduce the need to use multiple motor vehicles across multiple locations for the purpose

of transporting stock and equipment whilst also avoiding unnecessary travel across the borough.

The service already recycle and breakdown broken stalls or gazebos for use in repairs and replacing parts to minimise waste and this will continue as part of the insourced operation.

It will also positively impact local vehicle emission levels and levels of congestion. This will provide added social value to local SMEs, businesses, customers, and residents by reducing Co2 emissions and by minimizing the negative impact of freight associated with the Council's procurement and contracting activities.

6.2. Procuring for a Better Society

The insourcing of the stall management service will result in all officers & operatives having better pay, better pension and terms and conditions of work. It will also open up employment opportunities within the Council for local people, affording them an opportunity to contribute to the economic and social development of the borough in which they reside. This in turn will result in them being less likely to be reliant on benefits/social housing and will be having better opportunities for the future.

The proposed insourcing will have a positive economic impact on the local economy, as the proposals contained within this document will influence sustainable and inclusive growth within local communities and across the borough. This will provide added social value to local SMEs, businesses, customers and residents by enabling access to the inclusive growth benefits resulting from these savings and operational efficiencies.

After the transition period is completed the service will aim to offer regular apprenticeship opportunities within the team. The market's service has a proven track record of successfully delivering apprenticeship opportunities and its most recent apprentice secured runners up awards in both the national apprenticeship awards and Hackney Stars in 2020.

The service will work with local job centres and other relevant stakeholders to ensure that any posts that are recruited in this team are supporting local people.

6.3. Procuring Fair Delivery

The insourcing of the stall management service does not change the Markets Service policy, merely the employer of the officers and operatives who carry out the stall management activities. As a result, there is no impact on any social or ethical issues. Each market, shop fronts and street trading service policy goes through a process where a dedicated Equalities Impact Assessments (EIA) are carried out.

It will also support the sustained local employment of market traders as SMEs through a reduction in operational costs. It will also pass inclusive growth benefits to the surrounding local businesses and SMEs by improving

regeneration and integration in Hackney as a result of Hackney's full and thriving street markets and its contributed levels of footfall. It is estimated that for each £1.00 spent in Hackney's markets, another £1.75 is spent at other businesses within the surrounding area.

6.4. Equality Impact Assessment and Equality Issues

The Equality Impact Assessment has indicated that the insourcing of the markets stall management contract from an external supplier does not have any greater or lesser impact on account of sexual orientation, age, disability, ethnicity, gender, religion or belief.

The potential Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) will apply to all permanent posts within Elite Services if applicable but given Elite have refused to sign a contract and failed to deliver the set up and take down at all in June, It is highly likely this will not be applicable in this circumstance.

7. PROPOSED PROCUREMENT ARRANGEMENTS

7.1. Procurement Route and Public Contract Regulations Implications

The proposed option to bring the service inhouse does not have any procurement implications for the main service. The vehicles will be secured via existing Council contracts as will the PPE and other equipment. Anything else required for the service will be subject to the Council's Contract Standing Orders and will be procured in accordance with UK law although this will be limited due to the recent replacement of some of the existing stalls. Full details are set out in the financial implications.

7.2. Resources & Project Management

- 7.2.1. The recommended option of managing the transition period of insourcing the stall management contract is to hire a stall management supervisor along with the support roles of the new proposed structure. These are the posts that are not affected by TUPE transfers and would need to be filled in any case after the transition period is completed.
- 7.2.2. The details of the recommended option can be found in Appendix 1 and 2. The recommended option is also the most cost-effective.
- 7.2.3. The reasons for the recommended option in Appendix 1 and 2 is the fact that a team responsible for the implementation of the new service will also be responsible for the future management of the new service which mitigates the risks listed below:
- 7.2.4. The transition and recruitment of the stalls management service will be undertaken by staff from within the Parking, Markets and Street Trading Team i.e. Head of Service, Service Area Manager, Markets Service Operations Manager and Principal Licensing & Development Manager. This negates any

issues or long-term problems of maintaining the relationships that were developed with key stakeholders during previous procurement or contract management processes.

7.2.5. There is a low risk that the Council will be unable to recruit successfully for these posts given the volume of short term support stalls already on hand from undertaking duties in the pandemic such as setting up covid secure measures for markets and social distancing advising who will be prioritised for any vacant posts.

7.2.6. This risk is further mitigated given the fact the markets service management team are nationally considered as experts in their field with extensive experience in change management and operating within this niche field. This should provide confidence that they will have a positive and significant impact on the future delivery of the services and minimise any delays in delivering the transition within the deadlines set.

7.3. Key Milestones:

There are various work streams in the insourcing of stall management services. The below table shows the top-line view of the key milestones on this project:

Key Milestones	
Report to Director Of Sustainability & Public Realm	20 August 2021
Negotiations with non contracted operator If Applicable	July 2021
New structure & Establishment created (management & support)	September 2021
Advertisement of all posts available	September 2021
Recruitment of all posts rolling	From September 2021 - December 2021
Potential Unions and staff consultations If TUPE required	By September 2022
Potential TUPE process to commence	By September 2022
Potential TUPE process to complete	By September 2022
Training of new officers & operatives	September 2021-December 2021
STA end	31st of December 2021
Markets Service operating all stall management Activities	1st January 2022
New structure consultation	After April 2022 Before April 2023
New structure to be implemented	Before April 2023

7.4. Contract Documents: Anticipated contract type

Not applicable.

7.5. **Sub-division of contracts into Lots**

Not applicable.

7.6. **Contract Management:** The existing contract with the service provider will continue to be managed by the existing Markets Management Team within Parking & Markets Services. It will continue to be monitored through regular meetings or conference calls with the service provider. Senior Market Service Officers will take the lead in monitoring the on site day to day operations on site and ensure that system availability and any service required is delivered in line with the specification and contract terms and conditions.

7.7. **Key Performance Indicators:** The service provider will be subject to the same KPI under the contract. A new set of KPIs for the insourced service will be agreed closer to the implementation date but as a minimum will be the same as the service provider current KPI so the service delivery will not be impacted. It is however anticipated that the new KPI will be more oriented around productivity and customer satisfaction.

8. **COMMENTS OF THE GROUP DIRECTOR FINANCE AND CORPORATE RESOURCES**

8.1. In accordance with the Mayor's 2018 Manifesto and the Sustainable Procurement Strategy 2018-2022 included a commitment to review all outsourced services with a view to bringing them in-house. This report seeks approval to insource the Market Stall Management functions through the creation of a new establishment of new posts and procurement of vehicles and equipment to undertake the works involved to operate these important functions in-house.

8.2. In 2019 Officers carried out a procurement exercise to put in place a dedicated universal operator to undertake all stall set up services across the borough. The successful bidder was Elite Services Limited who were delayed in commencing work for the council whilst pandemic restrictions prevented markets from opening. Once restrictions were lifted and Markets began re-opening, Officers discovered that Elite did not sign the contract and unfortunately attempted to renegotiate the terms of the contract. to

8.3. The Service has undertaken a comprehensive review of the existing arrangements for the set up and take down of stalls at the Council's markets and this report provides detailed proposals to insource the functions of the setting up and taking down of stalls and related equipment on the Council's markets.

8.4. Appendix 1 and 2 provide detailed analysis of the proposed establishment and a five years cost benefit analysis of the service coming in house. There will be an additional budget uplift of **£105k** required to bring the service inhouse. Based on the estimated current contractor costs it is estimated that over the

next five years there is a potential cost reduction of **£351k** as a result of the service being brought back inhouse.

- 8.5. The reduction in costs will be predominantly achieved by eliminating all margins that external contractors apply on top of the service costs, using resources more efficiently, the procurement work of all stalls and equipment by the market's service and by integrating with existing Council's services.

9. VAT Implications on Land & Property Transactions

No VAT implications.

10. COMMENTS OF THE DIRECTOR OF LEGAL AND GOVERNANCE

- 10.1. Under paragraph 3.3.3 (Terms of reference of Executive Committees and Bodies) of Part 3 of the Council's Constitution, Cabinet Procurement Committee is authorised by Cabinet to give detailed consideration on all issues relating to procurement practice and policy. Furthermore it may also consider and advise, as appropriate, on the use of procurement to support the Council's wider Equalities, Environmental, Social and Community Benefit objectives. Therefore the decision regarding the insourcing of the services in this Report can be considered by the Cabinet Procurement Committee.
- 10.2. One of the consequences of a decision to insource a service provision is, the employees of the previous contractor who work solely or predominantly on that service provision may acquire the right to transfer to the Council under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE transfer). This report addresses this issue within its key milestone timetable at 7.3. Management will use its best endeavours to enquire, inform and consult with any staff who may have a potential transfer right in accordance with the necessary legislation.
- 10.3. Paragraph 3.3.16 of Part 3 - Responsibility For Council And Executive Functions, of the Constitution gives to Cabinet Procurement & Insourcing Committee responsibility for the function of considering proposals for insourcing of existing outsourced contracts as part of options appraisal for future service provision. Furthermore, where there is a clear demonstration that this option will consistently achieve best value for the Council and its residents, the Committee will have the power to approve the insourcing of contracts. Cabinet Procurement & Insourcing Committee is therefore permitted to approve this Report.

11. COMMENTS OF THE PROCUREMENT CATEGORY LEAD

- 11.1. This report is seeking permission to bring Markets stall management services in a house following a comprehensive insourcing appraisal undertaken by Council officers. The proposal is supported as there is limited competition and even if the work was packaged differently it would not solve the current fragmented system.
- 11.2. The Council's draft insourcing policy document requires each service to consider whether a service can be insourced.
- 11.3. All ancillary equipment and services will be procured via existing contracts (for example the vehicles) and any non contracted equipment will be procured in light of contract standing orders.
- 11.4. The current temporary contract will expire in December 2021. No other elements of the current contract will continue to be outsourced.

11.5. The cost model may slightly change as the full TUPE consultation has not yet been undertaken and if it significantly deviates from the costs set out in this report an update will be provided to CPIC .

ENCLOSURES

- Appendix 1: Whole Life Costings/ Budgets - LBH Markets [EXEMPT]
- Appendix 2: New Establishment & Line Management Reporting Structure [OPEN]
- Appendix 3: Proposed Job Descriptions (Supervisor & Operative) [OPEN]
- Appendix 4: Post by Post Business Case [OPEN]
- Appendix 5: Equalities Impact Assessment [OPEN]
- Appendix 6: Key Performance Indicators & Specification [OPEN]

EXEMPT

By Virtue of Paragraph(s) **3, 4, 5 and 6** Part 1 of schedule 12A of the Local Government Act 1972 this report and/or appendix is exempt because it contains (3) information relating to the financial or business affairs of any particular person (including the authority holding the information), (4) Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority; (5) Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings; and; (6) Information which reveals that the authority proposes a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

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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