

DRAFT MINUTES OF THE MEETING OF THE CABINET PROCUREMENT AND INSOURCING COMMITTEE

MONDAY 16 JANUARY 2023, 5pm

Livestream link: <https://www.youtube.com/watch?v=IAF5oJICAHA>

Councillors Present:

Councillor Robert Chapman in the Chair
Cllr Caroline Woodley
Cllr Christopher Kennedy

Apologies for lateness: Cllr Anntoinette Bramble (arrived at 6.15)

Also in Attendance:

Rotimi Ajilore, Head of Procurement
Tessa Mitchell, Governance Services Team Leader

Officers in Virtual Attendance:

Jennifer Milmore, Senior Public Health Practitioner
Jonathan Lyons, Head of Marketing & Commercial Services
Ola Akinbinu, Contract Delivery Manager, Capital Projects
Merle Ferguson, Procurement Strategy and Systems Lead
Divine Ihekwoaba, Procurement Category Lead
Leila Gillespie, Procurement Category Lead
Lola Olawole, Public Health Commissioning Manager
Patrick Rodger, Senior Lawyer
Sinead Burke, Head of Property and Asset Management

1. APOLOGIES FOR ABSENCE

1.1 Apologies for lateness were received from Cllr Annotinette Bramble.

2. URGENT BUSINESS

2.2 There was no urgent business to consider.

3. DECLARATION OF INTEREST - MEMBERS TO DECLARE AS APPROPRIATE

3.1 Cllr Binnie-Lubbock declared that he is a member of Adblock Hackney.

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

4.1 There were no representations to consider.

5. DEPUTATIONS/PETITIONS/QUESTIONS

5.1 Since the publication of the agenda questions were received from Mr Vincent Stops, Muriel Gordon MBE and Cllr Binnie-Lubbock. The questions were taken together with the relevant agenda item.

6. UNRESTRICTED MINUTES OF THE PREVIOUS MEETING OF CABINET PROCUREMENT COMMITTEE HELD ON 5 DECEMBER 2022

Matters Arising

The Chair flagged the new approach to develop and publicise an action tracker which will be appended to the minutes going forward. The Chair also advised of his intention to widen the remit of the Cabinet Procurement Insourcing Committee pre-meetings held with the Head of Procurement to include members of the Committee.

Action Tracker Update

The Committee noted the outstanding action with respect to Agenda Item 9 on Communal Heating. Since the previous meeting, all other actions have been resolved.

RESOLVED:

That the unrestricted minutes of the Cabinet Procurement & Insourcing Committee held on 5 December 2022 are agreed.

7. AHI S172 INTEGRATED MENTAL HEALTH NETWORK - CONTRACT AWARD CONTRACT APPROVAL

Jennifer Millmore, Senior Public Health Practitioner introduced the report and advised the Committee that the service is designed to support residents with complex mental health needs. It has a focus on those who struggle with intersecting disadvantages and find it hard to get the support they need. The service is built on a previous high performing model and will continue to offer person-centred and holistic mental health support with a strong emphasis on service user control.

The new service will also increase the number of community and mental health providers, and will also include a new lower level preventative opportunities model with increased flexibility and focus on continuous learning.

Cllr Woodley, queried the number of expressions of interest and stated that City and Hackney has the highest rate of mental health in the country. Cllr Woodley welcomed the understanding of intersectional disadvantages and commitment to a holistic approach.

In response, the Senior Public Health Practitioner advised that they tried hard to contact other providers. The only bid received is made up of a number of specialist providers. The Public Health team are planning a lessons learnt session to see if there is anything more that could have been done and added that one-off funding was used to help fund community providers to ensure that they had the skills and experience to work with commissioners.

The Committee noted that an additional appendix was published as part of the supplementary pack with an exempt appendix sent to Committee members.

The Chair recalled the business case that came to the Committee in July 2022 and the challenging questions posed at the time. The Chair also asked that it be noted for the record that his partner, Elizabeth Clowes used to be the Chair of Hackney Mind some years ago.

ACTION:

Senior Public Health Practitioner to share the lessons learned report with Committee Members when available.

RESOLVED:

To agree the award of the Integrated Mental Health Network service contract to Provider A for a period of up to a maximum of 4 years (2 years +1 year +1 year) from 1st July 2023. The total value of the contract will be a maximum of £5,377,000 (£1,344,350 per year).

8. CED S154 EXTERNAL ADVERTISING CONTRACT - CONTRACT AWARD CONTRACT APPROVAL

Jonathan Lyons, Head of Marketing & Commercial Services introduced the report. In his introduction, Mr Lyons said that a good amount of interest from the market was received though only four bids were completed by the deadline. The procurement seeks to deliver an overall reduction in advertising sites across the borough, enhancing the out of payment communication channel whilst significantly increasing the Council's income subject to planning permission.

The procurement pricing section was a 40:10 split on annual income and a one-off social value offer. The report sets out that the winning bidder paid £150,000 social value offer and an annual income of £126,000 year on year. The Council will not be investing any capital costs nor making maintenance payments during the life cycle of the contract. The contract has been reduced from 25 years to 10 years with an option to extend by a further 5 years. The Head of Marketing & Commercial Services added that all of the bids were of good quality providing the best financial income. The bidders provided excellent energy credentials to include sourcing sustainable energy in the upgrade and to digital technology and ISO accreditation for environmental management to help meet their own net zero objectives.

Though noted in the report, Cllr Kennedy asked Head of Marketing & Commercial Services to expand for the record on the considerable work done on the sites to include working with visually impaired stakeholders. In response, Mr Lyons stated that they worked across Planning, Streetscene, Environmental Waste, Policy teams and Councillors to engage stakeholders. They followed a planning performance approach that was led by Planning in pre-application stage that delivered the report. This led to the specific deactivation of units in Shoreditch.

Final consultation was with a Councillor and blind resident that involved walking along the A10 from Shakewell towards Dalston to advise of issues surrounding our residents with visual disabilities. As a result of this, specifications were adjusted for example 90 degree angle to the pavement. New technologies will be built into the unit and also offer a technology supplement to use around the borough.

QUESTIONS:

Questions from Cllr Binnie-Lubbock and response - refer to Appendix 1.

Questions from Mr Stops read by the Chair - refer to Appendix 1.

The Chair thanked officers for their work and contributions.

ACTION:

Head of Marketing & Commercial Services to provide a written response to Cllr Binnie-Lubbock's questions.

RESOLVED:

To agree that Supplier 2 is awarded the new digital only advertising contract.

9. CHE S157 FRONT ENTRANCE DOOR REPLACEMENT PROGRAMME - CONTRACT AWARD CONTRACT APPROVAL

Sinead Burke, Head of Property and Asset Management advised of the two contractor awards proposed for front entrance doors for properties that qualify for new doors. Each property will subject to a surveyor's report and fire risk assessment for the building.

The term of the contract being sought is an initial one year term with the option to extend. The reason for two contractors is to help with the delivery in case one fails. The tender itself was operated by an external consortium and they would have identified eight companies who were assessed and qualified

to join the framework. Contractors will work with residents to choose a style of door though noted that the range is limited due to design standards.

Deputy Mayor Bramble asked that with limitation on the specification of doors, would that have an impact on sustainability and availability to supply? Cllr Kennedy mentioned issues around peeling of doors due to sunlight and questioned the arrangements on the KPIs around customer satisfaction.

In response, the Head of Property and Asset Management stated that the specification is limited because there are not many doors on the market that can meet the standard and therefore unable to provide a range in terms of style and choice of door. The doors are expensive to produce as they are made of sustainable timber doors with an expected life span of approximately 30 years. The doors will not have the foiled layers so should not peel. High standards have been set for customer standards and satisfaction.

ACTION:

Head of Property and Asset Management to provide a written response to Muriel Gordon, MBE

RESOLVED:

To approve the award of contracts for Front Entrance Door Replacement works to Bidder 3 and Bidder 4 in Appendix A (Exempt) via the South East Consortium framework, for an initial one (1) year term and an option to extend a further one (1) year, for a maximum combined spend of £30m.

To approve the replacement of all required doors in properties within blocks six stories or higher (up to 9,000 doors), where the work is not rechargeable to leaseholders.

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

There was no urgent unrestricted business considered.

11. ANY OTHER EXEMPT BUSINESS THE CHAIR CONSIDERS TO BE URGENT

12. There was no urgent exempt business considered.

Duration of the meeting: 5.00 - 6.05pm

Councillor Robert Chapman
Chair of the Committee

APPENDIX 1:

Questions and responses to Cabinet Procurement Insourcing Committee 16 January 2023

8. CED S154 External Advertising Contract - Contract Award Contract Approval

Questions from Cllr Binnie-Lubbock responded to by the Head of Marketing & Commercial Services

Question 1

5.8 - Assuming a number of the advertising sites get refused, is there an income level at which proceeding with the new digital units becomes resource ineffective and would jeopardise the contract? Is the one-off payment from the supplier dependent on all 31 sites being approved?

Response:

Assuming whether a site will or will not receive planning permission/consent before it has been submitted undermines the independence of the planning authority and process. We have not made such assumptions and therefore not calculated such an answer. I would like to remind the Councillor, that there is no capital investment, nor maintenance costs to the Council associated with this contract.

Question 2

5 - 11.1 / 12.4 - it's not clear whether the replacement billboards will need to go through the planning process and be open to public consultation / objections. I think this is really important as I believe the new digital advert infrastructure is larger than what it is replacing and we have no access data confirming for certain that these sites had planning permission in the first place. I have lodged objections to all of these sites and I know others have not objected to these sites because it was stipulated in the original contract that they would be removed at the end of the contract. However, these residents would have objected to these sites if there were plans for replacement. Will all of the sites be live on the planning portal, including TfL sites, if plans for this replacement goes ahead?

Where it says in Appendix 3 - "No objection is likely to be raised for a replacement sign in this location." does this mean from the planning department or from the public at large? If from the public I would like to suggest that this is not borne out by the facts. Awareness of the harms of advertising is ever growing and as we recently saw, similar digital billboards received over 100 objections when they were submitted last year.

Response:

All planning permission applications will be live on the portal.

The pre-application advice focused solely on the planning merits of the proposal. Planning consent is granted by the relevant planning authority which, in this instance, is Hackney Council.

It should also be noted that planning permission was refused due to the assessment work carried out by the Council during the contract extension period in 2022. Following a planning performance approach, and given these sites had conditional consents associated with them, the Council determined that would be unsuitable for future consents due to the change and development in the local area.

Question 3

Will it be possible for the council to amend the advertising and sponsorship policy during the duration of this contract to include undesirable content / products as they arises / reach the market, or if an agreement is reached about how to designate a product or industry as "carbon intensive"?

Response:

Yes - 1.3 vi indicates that the policy is subject to ongoing updates by the Council. However any future updates or additions, will need a robust source of evidence based similar to the current evidence for HSSF.

Questions from Mr Vincent Stops responded to by the Head of Marketing & Commercial Services

Question 1

There appears to be no reference to TfL being the highway authority for most of these hoardings. The report says planning consent is needed from TfL as well as Hackney. However, TfL is NOT a planning authority, it is the highway authority. There is no mention in the legal comments about any Highways Act requirements and permissions from TfL. I have been told by Hackney there has been no communication with TfL regarding permission to award a contract for advertising on its pavements.

Response:

Response from Planning - The pre-application advice focused solely on the planning merits of the proposal. Planning consent is granted by the relevant planning authority which, in this instance, is Hackney Council. Any other required consent lies outside of the planning authority's control and is separate to the planning process.

There is no mention in the legal section as we are firstly seeking approval to award a contract at this point. POint 5.8 in the paper clearly highlights that planning permission will need to be carried out on any future sites, which would be the time to engage with TFL if and when an agreement is required.

Question 2

The only public benefit is financial and a reference to how beneficial communication with the public is. There is no mention of the proportion of air time the council will get from the contract. 10% of the air time has been suggested previously. There is no

mention that with the extant contract the council has 50% use of these boards. This is the crux of the legality of this decision. Is there a real public benefit from erecting structures on the highway or are they commercial advertising?

Response:

Mr Stops is correct that the contract will deliver 10% airtime, or 6 minutes per hour on a looping basis. This is fairly standard for Councils, but it is also standard for most brands to receive the same time frame unless they pay considerably more. The Council however receives this for free. Upgrading to digital units means we are able to quickly display multiple public information campaigns in real time providing more opportunities for services to communicate during the same time period. This means that we can air a service change campaign, consultation and cultural event all in the same period without having to wait for the one - or b-side - print based site to be updated, which only happens every two weeks. This is less flexible for time sensitive information. We have also demonstrated public benefit through the pandemic and more recently the Polio outbreak in London using QR codes on our outdoor campaigns to allow residents to find out information about vaccinations and their locations. Lastly we will have a clause within the contract that allows the Council to override sites with local or national emergency information should we require. The income generated has been used to fund a number of other

Question 3

The pre-application planning advice was undertaken in 2021, though it is dated March 2022. There is no mention in the report that there have subsequently been real applications for 9 of these structures that have been rejected comprehensively by the planning service on the basis of its adopted policies. There have also been other very similar applications refused, none were granted.

Response:

Response from Planning - The pre-application advice pre-dated the nine applications that were subsequently refused. The pre-application advice focused solely on the planning merits of the proposed sites that were put forward.

The nine sites Mr Stops refers to were refused planning permission as a result of the assessment work carried out in 2021. It has always been the intention of this work towards reducing clutter in the public realm and we have done this through reducing the overall number of sites from 54 to 31, a 43% decrease, whilst still maintaining an important communication channel and increasing our income.

Question from Muriel Gordon, MBE responded to by Head of Property and Asset Management

Question 1

As some of the estates in the Stamford Hill Area were due to have front doors prior to Covid stopping all work, I would like to make a request.

Leaseholders in particular are keen to see the type of door being offered as many are expected to pay for it. Last time round we had great difficulty in this request being met as there was apparently one sample door which was in the Shoreditch area, and leaseholders were expected to travel if they wanted to see it.

Could I please ask that the contractor has sample doors available to be located in whatever areas work is taking place, and in our case Stamford Hill area (there are community halls in Joseph Court and/or Lincoln Court where they could be made available), rather than expecting residents to travel to other areas in the Borough which is not always easy.

Response:

In response to the availability of viewing sample doors, estate blocks have been grouped and the intention is for contractors to provide samples on nearest estates - not every estate. Additionally, contractors have produced leaflets and mock up (digital/visual) designs of what they could look like and design choice pallets. Additionally, the contractors will allow a cool off period and give the option for residents to change their minds on the door/design.

**APPENDIX 2
CABINET PROCUREMENT AND INSOURCING COMMITTEE**

ACTIONS TRACKER

Ref	Meeting Date	Agenda Item	Action	Assigned to	To be completed by	Status
1	7/11/22	7 - Housing Repairs Material Framework	To prepare a briefing note in consultation with the Procurement team addressing the sustainability issued and to circulate to Committee Members.	Peter Lovell	Tbc - Jan 2023	Completed
2	5/12/22	9 - Communal Heating Systems	<p>(1) Cabinet Member for Housing in consultation with Head of Property and Asset Management to respond to questions raised by Cllr Garbett on communal heating.</p> <p>(2) To provide a briefing note to Committee Members confirming the terms of the contract against key performance indicators.</p> <p>Update: 02/02/23: Cllr McKenzie has referred back to officers for additional information.</p>	<p>Cllr McKenzie</p> <p>Sinead Burke</p>	Tbc - Jan 2023	Outstanding
3	5/12/22	11 - Buckland Street	Briefing note to be provided to Committee Members with details of the Sustainability Procurement Policy terms to be delivered.	Brownwen Thomas	Tbc - Jan 2023	Completed

4	5/12/22	12 - Wimbourne Street	Briefing note to be provided to Committee Members with details of the Sustainability Procurement Policy terms to be delivered.	Brownwen Thomas	Tbc - Jan 2023	Completed
5	16/1/23	7 - Integrated Mental Health Network	Senior Public Health Practitioner to share the lessons learned report with Committee Members when available. Update 03/02/23: internal lessons learned session already taken place and report will follow once a session with external stakeholders has been held.	Jennifer Millmore	Tbc - March 2023	Pending
6	16/1/23	8 - External Advertising	Head of Marketing & Commercial Services to provide a written response to Cllr Binnie-Lubbock's questions. Update 03/02/23: Follow up written response to be sent to Mr Stops.	Jonathan Lyons	January 2023	Completed
7	16/1/23	9 - External Front Doors	Head of Property and Asset Management to provide a written response to Muriel Gordon, MBE	Sinead Burke	January 2023	Outstanding

