Officer Key Decision

Date: Friday 4th October 2019
Time: 3.00 p.m.
Venue: Room W2:06, Newham Dockside, 1000 Dockside Road, E16 2QU

Contact: Joy George, Democratic Services Officer
tel: 020 3373 1256  E-mail: joy.george@newham.gov.uk
1. **Future delivery of Grounds Maintenance (Pages 1 - 32)**

   Report of: The Transport Manager

   Decision maker: Interim Corporate Director of Environment & Sustainable Transport
1 Executive Summary

On the 5th March 2019 Cabinet granted approval for the procurement of the vehicles, plant and equipment necessary for the delivery of the grounds maintenance and associated services, which is being insourced on the 11th January 2020. Approval was granted to procure through an existing framework using TPPL (The Procurement Partnership). This was to include;

a) Procuring an estimated 33 vehicles through a 5 year operating lease at an estimated total cost of £830,000 over a 5 year period.

Cabinet delegated authority to the Director of Community & Environment, in consultation with the Lead Member for Environment, and the Directors of Finance and Law & Governance, to agree the award of contracts for vehicles, plant and equipment noting that each contract would be less than £1 million value.

Permission is sought to agree the direct award through the TPPL framework to Fords for 27 x vehicles that are required for the insourcing of ground maintenance. The
additional vehicles required will be evaluated through 3 x Quotes as value will be less than £100k (The 6 x non-Ford fully electric Vehicles).

2 Recommendations

2.1 For the reasons set out in the report and its appendices, the Interim Corporate Director of Environment & Sustainable Transport is asked to agree:

2.1.1 Following the evaluation of the both tenders using direct award & quotes by the Procurement unit and the client department, it has been determined that Trust Ford & Renault UK, Using the recommended lease company which will be tendered through our finance broker (Link Asset Services) should be awarded the contract based on the MEAT criterion as per the terms and conditions of the TPPL Framework HCC1811097 in accordance with EU procurement rules and treaty principles and the Council’s Contract Standing Orders (CSO). The Lot 2 call-off contract for the purchasing of vehicles that are required for the insourcing of ground maintenance. The contracts will commence 06/01/2020 and expire 05/01/2025, and cost £830,000 over the contract length.

2.1.2 The award to order & through our finance broker (Link Assets Services), organise the leasing of vehicles (with finance) required for the insourcing of Grounds Maintenance, that commences on the 11th January 2020

2.2 The Interim Corporate Director of Environment & Sustainable Transport is asked to note:

Current vehicle lead times are 16 to 20 weeks; there will be an additional 4 weeks for body builds to the vehicles, if agreement is not given the deadline of 11th January will be difficult to meet.

3 Background

3.1 On the 5th March 2019 Cabinet granted approval for the procurement of vehicles, plant and equipment necessary for the delivery of the grounds maintenance and associated services, which is being insourced on the 11th January 2020. Approval was granted to procure through an existing framework using TPPL (The Procurement Partnership)

3.2 Procuring an estimated 42 vehicles through a 5 year operating lease at an estimated total cost of £950,000 over a 5 year period was agreed at this cabinet meeting on the 05th March 2019.

3.3 Delegate authority was given to the Director of Environment & Sustainable Transport, in consultation with the Lead Member for Environment, and the Directors of Finance and Law & Governance, to agree the award of contracts for vehicles, plant and equipment.
3.4 The project team delivering the insourcing of the grounds maintenance and associated services have been working with vehicle manufacturers and staff transferring to the “in house service” to establish the specification of the new fleet.

3.5 These discussions were to ensure the correct type of vehicle was procured which delivered the best performance and best value to the council. These discussions were lengthier than anticipated and the final specification was only agreed at the end of July 2019.

4 Key Considerations & Proposals

4.1 There were delays in agreeing the vehicle specification which has meant the service is now only ready to place the order for the new fleet.

4.2 Current uncertainties within the vehicle manufacturing market has resulted in extended lead times by manufacturers and it may be hard to achieve the target date of 11th January 2020 if the vehicle orders are not placed now.

4.3 If the Target date of 11th January 2020 is not achieved, hire vehicles will need to be sourced for the interim period, this would be subject to additional costs.

4.4 It is recommended that agreement is made to award, for the ordering of the vehicles and arrange with finance the Lease Contracts.

4.5 The Procurement route is by the use of the TPPL Frameworks for all vehicles. One of the benefits received from this is, all Ford vehicles will come with an additional 2 year manufacturer’s warranty, totalling 5 years.

4.6 Wherever possible, the use of alternate fuelled vehicles has been reviewed, as detailed we will be operating x6 fully electric vehicles, all others will be ULEZ compliant. The vehicles specifications have been confirmed with the end users and will be fit for purpose for now and the life of the vehicle contract (5 Years).

4.7 Since the Cabinet Meeting which was held on the 05th March 2019, the estimated costs have reduced by £120,000 over the 5 year contract period.

5 Policy Implications & Corporate Priorities

5.1 The proposals are in line with the pledge by the Mayor’s Administration to review all the Council’s Joint Ventures, PFI Schemes and outsourced contracts. It will also ensure that robust procurement processes are in place in the long term.

6 Alternatives considered

6.1 Vehicle hire is possible, but the cost would be estimated as double the Lease Option.

7 Consultation

7.1 Name of Lead Member consulted: Cllr James Asser
Position: Cabinet Member for Environment
8 Implications

8.1 Financial Implications

8.1.1 The decision to bring the grounds maintenance and associated services contract in-house from 11 January 2020, was approved by Cabinet on 5 March 2019. This included approval for the procurement of the vehicles, plant and equipment necessary to deliver the grounds maintenance and associated services. Approval was granted for a 5-year operating lease for 42 vehicles, at a cost of £950,000 over a 5-year period (£190,000 per annum). Since the approval was granted, the number of vehicles required to deliver the services has reduced. Permission is now sought to procure 33 vehicles in total, 27 via direct award through the TPPL framework and a further 6 vehicles through the quotation process, at a cost of £830,000 over the 5-year period (£166,000 per annum). The cost of the contract will be funded through existing revenue budgets.

8.1.2 Following the evaluation of both tenders using direct award and quotes by the Council’s Procurement unit and the service, it has been determined that Trust Ford & Renault UK should be awarded a call-off contract, using the recommended lease company tendered through the Council’s finance broker, Link Asset Services. The contract will commence on 6 January 2020, for a 5-year period.

8.2 Legal Implications

1. The report seeks the approval of the Director to award a call-off contract to Trust Ford & Renault UK, Using the recommended lease company which will be tendered through our finance broker (Link Asset Services) following the evaluation of both the tenders, using direct award & quotes by the Procurement unit and the client department. The recommendation of award is based upon evaluation of both tenders/quotes based on the MEAT criterion as per the terms and conditions of the TPPL Framework HCC1811097 (Lot 2) in accordance with EU procurement rules and treaty principles and the Council’s Contract Standing Orders (“CSO”) 22.

2. The Council has the general power of competence under section 1 of the Localism Act 2011 to do anything an individual may generally do, together with the power under section 111 of the Local Government Act 1972 to do anything ancillary to or which facilitates any of its functions. The contract may be procured in accordance with these powers.

3. With the assistance of the Procurement unit, the client department will undertake a tender process which is allowable under the Public Contracts Regulations 2015 (“PCR 2015”) and the Council’s CSO, including the award selection using the MEAT criterion. The most economically advantageous tender (MEAT) criterion enables the contracting authority to take account of criteria that reflect qualitative, technical and sustainable aspects of the tender submission as well as price when reaching an award decision.
4. The proposed contract value is above the EU threshold for Service/Supply contracts; therefore accordingly, the procurement exercise needs to comply with the full EU Directives and PCR 2015.

5. The Council’s CSO 3 provides that a contract may only be awarded if the expenditure has been included in approved revenue or capital estimates or has been otherwise approved by, or on behalf of the Council. The body of this report confirm the relevant financial implications arising from the Council’s award of the contract.

6. Cabinet will be aware of the Public Sector Equality Duty (PSED) set out in section 149 of the Equality Act 2010. At each stage, in exercising its function (and in its decision making processes) the council must have due regard to the need to:
   
   a) eliminate discrimination, harassment, victimisation or other prohibited conduct;
   b) advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it;
   c) foster good relations between person who share a relevant protected characteristic and those who do not share it.

   The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

7. The Legal and Governance officers are available to assist the client department in finalising the terms and conditions of the contract.

8.3 **Equalities Implications**

8.3.1 None Known

8.3.2

8.4 **Other Implications relevant to this report:**

8.4.1 The only implications foreseen are, the Lead Times for delivery of vehicles, although if orders are placed within 10 days, we should reduce the risks above.

9 **Background Information used in the preparation of this report**


9.2 Cabinet Decision Notice. Appendix 2

General Exception (Reason for Urgency):

The reason for the urgency is that the specification of the new fleet has only recently been confirmed. There are currently extended lead times by manufacturers, as a result of the current uncertainties within the market. It may be hard to achieve the target date of 11th January 2020 if the vehicle orders are not placed now.

If orders are placed within 10 days the risk would be reduced. Current Lead Times for vehicle chassis is 16 to 20 weeks and then 4 weeks for bespoke body build, (potentially 24 weeks in total for delivery). Grounds Maintenance commencement 11th January 2020.
CABINET
TUESDAY 5 MARCH 2019

DECISIONS

The following are the decisions taken by Cabinet at the above meeting.

Please note that these are not the full minutes, which will be published at a later date. In accordance with the Council’s Constitution, unless otherwise indicated all decisions listed below are subject to Call-In. The Call-In period will expire in 5 working days from the publication date of this notice.

Publication date: 7th March 2019
Date of decision: 5th March 2019
End of the call-in period is Midnight Thursday 14th March 2019
This decision can be implemented from: Friday 15th March 2019

If you have any queries about any matters referred to in this decision notice please contact Joy George, Principal Committees and Partnerships Officer, on 020 3373 1256 or at joy.george@newham.gov.uk

1. Adopting a corporate plan for Newham Council

Decision status: Recommendation Approved

Is this a Key decision?: Yes

Is subject to call in?: Yes

Decision

For the reasons set out in the report Cabinet RESOLVED to AGREE

i) To adopt the principles, priorities and deliverables in the Corporate Plan attached at Appendix 1 for the year 2019-20, with any agreed amendments; and

ii) To delegate the final drafting and publication of the Plan to the Assistant Chief Executive, in consultation with the Mayor.
Alternatives Considered

The Council could continue without a corporate plan. However, as outlined above, there is a need to provide direction and a clear strategy which defines priorities and related actions and measures to ensure the Mayoral priorities are delivered for the benefit of the local community.

2. Red Door Ventures - Updated Request for Funding

Decision status: Recommendations Approved

Is this a Key decision?: Yes

Is subject to call in?: Yes

Decision

For the reasons set out in the report Cabinet RESOLVED to AGREE

i) A change in sequencing of RDV's initial ‘Wave 1’ sites, previously approved by cabinet in October 2018, for the reasons set out in this report. The Didsbury Package of developments now including the former Didsbury Centre and Town Hall Annex along with six small sites shall proceed to start on site by end of March 2019 with the Brickyard and Grange Road schemes to be delivered as a separate package, subject to cabinet approval in due course;

ii) To delegate to the Director of Regeneration and Planning in consultation with the Mayor, the Interim Executive Director of Financial Sustainability and the Director of Legal and Governance authority to agree the draft RDV business plan as attached as Appendix 1 subject to the items set out in Para 8.1.8 being monitored and mitigated to their satisfaction. Any material changes would be reported back to cabinet;

iii) To fund the Didsbury Package of developments encompassing eight sites namely The Didsbury Centre, Town Hall Annex, Doherty Road, Wordsworth Avenue, Stracey Road, High Street South, Romford Road and Old Fire Station sites with GLA grant of up to £11,304,000 and Newham equity and loan funding up to £54,933,986 for the Development Phase and £58,816,013 for the Investment Phase and scheme specific working capital of £361,435

iv) To delegate to the Interim Executive Director of Financial Sustainability in consultation with the Mayor, the Director of Regeneration and Planning and the Director of Legal and Governance, authority to release the funding for the Didsbury Package subject to compliance with the financial and other
diligence requirements set out in exempt appendix 6. Any substantial variations to the project(s) would be brought back to Cabinet; and

v) The terms of the transfer of the land set out at exempt appendix 5 within the schemes outlined above and subject to funding for the relevant scheme being released, to delegate to the Director of Regeneration and Planning in consultation with the Mayor, the Executive Director of Financial Sustainability, the Director of Asset Management Services and the Director of Legal and Governance the agreement and finalisation of the terms of the transfers including the terms for the option to purchase of the affordable units within those schemes.

Alternatives Considered
1.1 The alternatives considered were as follows:-

- Council develops the sites directly;
- Council develops the affordable sites directly;
- Council sells the sites to a third party;
- Council transfers the land to RDV but does not fund the development;
- Council does nothing.

Council develops the sites directly - As the land is owned by London Borough of Newham, the council could implement the planning permissions secured by RDV, with minor amendments. This approach however would result in the council losing out on significant future revenue from dividends and finance lending margin over the next 50 years. For this reason, this approach has been discounted.

Council develops the affordable sites directly – This approach has been explored however there is a limit to the number of new homes that the HRA can deliver. For this reason, this approach has been discounted at this time pending further review of the HRA capacity to fund new affordable home delivery.

Council sells the sites to a third party - Delivery through an external third party developer or Registered Provider would result in the Council having no control over the sites. The council would not benefit directly from any of the financial upside in respect of development profit, margin on lending, dividends. The Council would not benefit from any capital appreciation in the value of the completed investment assets. Many local authorities have set up Local Housing Companies to control delivery quality and gain the financial upside of the profit margin and the lending rate. For this reason, this option has been discounted.
**Council transfers the land to RDV but does not fund the development** - This investment has been shown to finance the cost of the loan and provide a lending margin and dividend back to the council in excess of target hurdle rates. For this reason it is considered a prudent investment and therefore the option of not funding the development has been discounted.

**Council does nothing** - As the land is owned by London Borough of Newham, it is important that options be developed that enable sites to come forward with the most preferred tenure. Doing nothing would be detrimental to the Council by creating a blight in the local area and failing to meet the housing needs of local residents. It would also result in a loss of GLA grant and loss of confidence in the council as delivery partner for the GLA. For this reason this option has been discounted.

3. **Newham Council Performance**

**Decision status: Recommendations Approved**

Is this a Key decision?: No

Is subject to call in?: No

**Decision**

For the reasons set out in the report Cabinet RESOLVED to AGREE

i) To note the work in progress to implement the new performance management framework; and

ii) That Lead Members should work with Directors in 2019/20 to understand better and to address emerging trends and areas for improvement.

**Alternatives Considered**

The alternative to not publishing current data would be a continuing lack of transparency about the Council’s performance. That would undermine the ability of members and residents to understand how well the organisation is performing, and whether resources are being used effectively.

4. **Digital Presence and Web Access Business Case**

**Decision status: Recommendations Approved**

Is this a Key decision?: Yes

Is subject to call in?: Yes
Decision

For the reasons set out in the report Cabinet RESOLVED to AGREE

i) To approve the Digital Presence and Web Access programme and to earmark total funding of £4.2m overall for Financial Years 19/20 and 20/21 to deliver this programme;

ii) To note that the programme team would work with ICT to present detailed project business cases for this investment for the Digital Experience, Digital Customer Access, Digital Workplace, and Visibility & Accountability projects with savings projections specific to the procurement and implementation of these. Individual project Business Cases will be subject to the required council governance process; and

iii) To note that the Digital Customer Access project is likely to involve procurement of systems and services over £500,000 so will be presented to Cabinet again for final approval.

Alternatives Considered

Alternative 1 – Close the Programme

Close down the programme and attempt to deliver the benefits through service driven initiatives.

This option was not considered due to the following:

- In a cross-cutting digital landscape it requires coordination to deliver benefits consistently across the council and service-driven initiatives traditionally work best when focused within a service.
- The costs of delivering the solutions may be increased, so reducing the benefits.
- Management of the financial and reputational risk would be better managed at a cross-council level.
- The realisation of the benefits of channel shift and self-service is best coordinated at the cross-council level.

Alternative 2 - Do nothing and maintain the status-quo

Do not replace the existing systems going out of support and build the new solutions with them.

This option was not considered due to the following:

- The existing technology is increasingly no longer fit for purpose
• The old systems cannot provide the modern, personal, responsive web experience the residents now expect so the poor experience would remain
• Residents are not involved in the design process.
• The cost of any small change in the current system is prohibitive.
• The systems are due to become unsupported in 2020 and so will become less and less secure over time, with all the associated financial, reputational and security risks.
• The current CRM is a corporate risk as it lacks a sustainable financial support model.
• The situation around Freedom of Information requests, Complaints and Members and MPs enquiries would not be improved.
• There would still be no effective internal communication and engagement tool to replace the intranet, and information would remain hard to find and share

5. Microsoft Cloud Enrolment Agreement

Decision status: Recommendations Approved

Is this a Key decision?: Yes

Is subject to call in?: Yes

Decision

For the reasons set out in the report Cabinet RESOLVED to AGREE

i) To award the Microsoft Cloud Enrolment License contract under a direct call off procedure available via the KCS Software Products and Associated Services Y17038 (Lot 1 Microsoft) framework agreement to Bytes Software Services Ltd for the value of £1.287m for a period of 3 years.

ii) To delegate authority to the Director of Technology and Innovation, in consultation with the Director of Legal and Governance to approve the final forms of contracts and entering into such agreements necessary to give effect to the recommendations detailed in this report.

Alternatives Considered

Switching to alternative software vendor products has been considered. Due to the heavy reliance on Microsoft products for use in the IT infrastructure the only realistic mainstream option would be Oracle databases instead of the Microsoft SQL equivalent. However, the cost point for these is significantly higher and would also require additional
staff being trained in this technology. A wholesale move would prove cost prohibitive for the organisation.

The number of applications within Newham using the Microsoft technology is circa 100, therefore, the costs to change and the respective planning involved would make this option to expensive. This would also assume that the applications are compatible with other technologies providing the same service.

Open source was also considered for the equivalent database technology but due to the limited number of applications that can run on this technology and substantially higher cost of ownership and sustainability this was ruled out.

Therefore this, along with certain applications not supporting non Microsoft technology would mean that significant expenditure on Microsoft Licenses will still be required, removing any potential cost savings.

For the CRM system it would not be possible to move to an alternative solution at this point. The migration and transition costs to another platform would be significant and not viable at this stage.


Decision status: Recommendations Approved

Is this a Key decision?: Yes

Is subject to call in?: Yes

Decision

For the reasons set out in the report Cabinet RESOLVED to AGREE

i) That the Grounds Maintenance & Associated Services contract with the incumbent supplier, Serco PLC (“Serco”) be extended for a further six month period to January 11th 2020;

ii) That the grounds maintenance & associated repairs and maintenance services forming part of the current Grounds Maintenance & Associated Services contract are brought in house (in-sourced) at the end of the contract on January 11th 2020;

iii) That as detailed in section 4 of the report approval is granted for the procurement of the vehicles, plant and equipment necessary for the delivery of the grounds maintenance and associated services
contract through an existing framework using TPPL (The Procurement Partnership). To include:

a) procuring an estimated 42 vehicles through a 5 year operating lease at an estimated total cost of £950,000 over a 5 year period.

b) procuring an estimated 35 specialist large plant units through a 4 year operating lease at an estimated total cost of £450,000 over a 4 year period.

c) procuring small plant at an estimated total cost of £90,000 through competitive quotes.

iv) To delegate authority to the Director of Community & Environment, in consultation with the Lead Member for Environment, and the Directors of Finance and Law & Governance, to agree the award of contracts for vehicles, plant and equipment as set out in (iii) above, noting that each contract would be less than £1 million value.

v) That the arboricultural services forming part of the current Grounds Maintenance & Associated Services contract are procured on the open market (out-sourced) through an EU-compliant open tender procedure procurement process as detailed in section 4 of the report.

vi) To delegate authority to the Director of Community & Environment in consultation with the Lead Member for Environment, and the Directors of Finance and Law & Governance, to agree the award of a 5 year contract (with optional 2 year extension) for arboricultural services noting that any significant variation to the anticipated costs set out in Section 8 must be referred back to Cabinet.

Alternatives Considered

**Cease to provide the services** - Ceasing to provide the services at the end of the current contract is not a practical option for the Council due to the legal obligations and associated risks outlined in the cabinet report of 5th November 2018.

**Out-source all services in one or more lots** - The Council could opt to procure a new contract for all current services when the current one ends on 12th July 2019. The council could re-procure all services on the open market. If this were to be done it is recommended they be let in a single lot for Grounds Maintenance and Arboricultural Services as the larger contract value would generate more market interest, in turn driving competition and ultimately delivering better value for money. Combining these services would reduce client management requirements as there would only be one contract to manage. Benefits of this would be:

- Risks shared with the contractor
- Reduced pension costs
• Onus on contractor to deliver to cost
• Contractor manages staffing, technological and legislative requirements

However, the benefits of in-sourcing that are set out in Section 4.3 of this report would not be delivered. Furthermore, there would be significantly reduced opportunity to integrate the service with other public realm services and the contract / performance management costs to the Council would be more expensive than an in-sourced service.

**In-source all services** - This option is not recommended due to the reasons set out in Section 4 of this report with specific regard to the arboricultural service.

**Out-source grounds maintenance services to the established street cleansing & estate cleaning small businesses**

The Council could award grounds maintenance and arboriculture services contracts to one or all three of the established street cleansing businesses. This is an option that could be further considered after the grounds services have been in-sourced but is not recommended at this time as there is a review underway (Cabinet - December 2018) to assess options for the future delivery of the three street cleansing & estates businesses. This review needs to be concluded prior to further decisions being made.

There are some services, such as litter picking in parks & open spaces and grass cutting on housing estates, where there is synergy between street cleansing and grounds maintenance services. In these areas there are potential opportunities to improve services or deliver efficiencies. Additional opportunities for revenue generation may also be generated from grounds maintenance services being incorporated into the existing businesses. These can be considered as part of the review of the three street cleansing and estates businesses being carried out by the Shareholder Function team.

7. **Beckton Community Centre Refurbishment and North Woolwich Renovation and Expansion**

Decision status: Recommendations Approved

Is this a Key decision?: Yes

Is subject to call in?: Yes

Decision

For the reasons set out in the report Cabinet RESOLVED to AGREE
i) To take all necessary steps to implement the capital works projects to upgrade Beckton Community Centre and North Woolwich Library, including the procurement of required works contracts;

ii) To fund the projects referred to above through the allocation of funds arising from the:

- London City Airport section 106 agreement dated 9 July 2009, being the sum of £988,430 towards the refurbishment of Beckton Community Centre; and
- Barrier Park East section 106 agreement dated 14 December 2009, being the sum of £702,000 towards the renovation and expansion of North Woolwich Library.

iii) That Officers should provide details of an alternative plan if the scoping exercise details significant works outside of the proposed budget;

iv) That in respect of North Woolwich Library, there should be a discussion with Regeneration Officers and the Cabinet Lead re the wider place making of the area;

v) To delegate authority to the Interim Director of Community & Environment after consultation with the Director of Finance to award the required works contracts following a compliant procurement process and to take all necessary steps to implement the projects to which the requested resolution at (i) above relates; and

vi) To note that the delegated authority of the Head of Planning and Development will be executed to allocate funds as above in resolution (ii)

Alternatives Considered
Do nothing

i) BCC would deteriorate further and become less cost effective due to increased repairs requirements.

ii) BCC would continue to not be fully accessible

iii) The opportunity to deliver a service that meets the needs of residents and increase income would be missed

iv) An alternative use for the section 106 funding would need to be identified urgently in order to have sufficient time for project planning and delivery and avoid the risk of funding clawback.
Other Community Neighbourhood options for allocation of the London City Airport section 106 funding were considered and evaluated using the following criteria:

i) Section 123 of the Community Infrastructure Levy Regulations criteria
ii) Investment need
iii) Longevity of the capital works
iv) Level of impact on the service

The table below summarises the outcome of the evaluation (see Appendix 9 for full assessment):

<table>
<thead>
<tr>
<th>Facility</th>
<th>Investment need</th>
<th>Longevity</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beckton Community Centre</td>
<td>High</td>
<td>Medium</td>
<td>Medium</td>
</tr>
<tr>
<td>Beckton Globe</td>
<td>Medium</td>
<td>Medium</td>
<td>Medium</td>
</tr>
<tr>
<td>North Woolwich Library</td>
<td>Low</td>
<td>High</td>
<td>Medium</td>
</tr>
<tr>
<td>Woodman Community Centre</td>
<td>Low</td>
<td>High</td>
<td>Low</td>
</tr>
</tbody>
</table>

An options assessment for the Barrier Park East section 106 funding was not required, as there are no other community facilities within the area that meets the funding allocation requirements in the agreement.

8. Developer Contributions Governance and Funding Allocation Strategy

Decision status: Recommendations Approved

Is this a Key decision?: Yes

Is subject to call in?: Yes

Decision

For the reasons set out in the report Cabinet RESOLVED to AGREE

i) The content of the Developer Contributions: Governance and Funding Allocation Strategy (the ‘Strategy’); and

ii) To recommend to full Council that Council:

   a) Agree the content of the Developer Contributions: Governance and Funding Allocation Strategy; and,
b) Adopt the Developer Contributions: Governance and Funding Allocation Strategy; and,

c) Publish the Developer Contributions: Governance and Funding Allocation Strategy on the Council’s website.

iii) To delegate authority to the Director of Regeneration and Planning in consultation with the Mayor as Lead Member for Regeneration, Planning and Strategic Housing Delivery, the Cabinet Member for Finance and Corporate Services and the Director of Legal and Governance authority to make minor amendments and approve the final version suitable for publication on the Council’s website.

iv) To Note that the Strategy confirms the Council in its role as collecting authority’s approach to calculating the Community Infrastructure Levy (CIL) whereby a chargeable development includes flexible use floor space; namely that the highest rate in the LBN’s CIL charging Schedule will be used; and

v) To Note that the Council as collecting authority will universally apply surcharges to chargeable developments; if the Strategy is agreed, where there is an exceptional circumstance the surcharge may be waived by way of Officer delegated authority as set out in the Strategy; and

vi) To Note that the approach to the collection and allocation of the Council’s CIL in 2019/20 as outlined in the Strategy, funds accrued prior to 2019/20 will be managed and allocated in accordance with the scheme of delegation; and

vii) To Note that the Strategy confirms Officers with authority to allocate Developer Contributions; when key decision provisions apply and when Member approval will be required; and

viii) To Note that the Strategy confirms the delegation of the processing of claims for relief and exemption to more junior posts in the LBN for operational efficiency in accordance with the financial limitations in Part 3B of the Council's Scheme of Delegations to Officers General Management Powers 1st November 2018.

Alternatives Considered

1.2 Primarily the Strategy is the consolidation of the existing practices of the LBN as stated or implied in the Constitution, as such there is no alternative, save for the review of the Constitution.

1.3 Within the Strategy there are some matters which could be dealt with in an alternative manner as set out in paragraphs 6.3-6.10.
1.4 In relation to the provision in the Strategy at Paragraph 5.3 the collecting authority could continue to apply the approach without the ratification from Members, but this carries a marginal risk of the Council being successfully challenged. The challenge would likely be an appeal through the CIL Regulations or a judicial review by the High Court of the decision.

1.5 In relation to the provision of surcharges in the Strategy at Paragraph 5.5 the collecting authority could assess and make an active decision by way of delegated authority each time a surcharge may be applied in accordance with Regulations 80-86 of the CIL Regulations; this process is open to challenge and is time consuming. The universal application of surcharges means that the collecting authority only needs to consider exceptional circumstances, as set out in Appendix 1 of the Strategy.

1.6 As proposed by Table 3 of the draft Strategy; the delegation of approving claims for relief and exemption to more junior posts in the Council could not be progressed and the authority could remain with the officers fulfilling the role of the Head of Paid Service and the Chief Planning Officer. There is a risk however that the limited number of Officers with delegated authority to agree to the mandatory claims could inadvertently lead to delays in the delivery of developments across the Borough.

1.7 The draft Strategy considered some alternatives for the approach to the allocation of the neighbourhood element of CIL, as considered in Paragraphs 7.4-7.15 and Table 7 of the draft Strategy.

1.8 The LBN could maintain that all monies be managed as a strategic resource of the Council and this approach would be lawful, however this does not support the Mayoral pledge to encourage greater resident input into ‘planning’.

1.9 There are other alternative ways to designate the neighbourhood allocation of CIL including: (a) treating each ward or community neighbourhood as a CIL neighbourhood for collection purposes; and, (b) treating the entire borough or each ward as a CIL neighbourhood for collection purposes.

1.10 For (a) the option was discounted as in some instances there would be some wards that would have very limited CIL income and some community neighbourhood areas which may be capped to the amount of monies that could be spent in the area in accordance with R59(7) of the CIL Regulations.

1.11 For option (b) it was considered that the strategic CIL can deal with borough wide matters and the establishment of the Citizen Assemblies’ meant that there was a forum to deal with matters on a Community Neighbourhood basis and the administration associated with neighbourhood CIL would be disproportionate to the local community benefit.

9. Health & Care Space Newham

Decision status: Recommendations Approved

Is this a Key decision?: Yes
Is subject to call in?: Yes

Decision

For the reasons set out in the report Cabinet RESOLVED to AGREE

i) The governance arrangements for HCSN as set out in Appendix A of the report;

ii) To delegate authority to the Executive Director for Financial Sustainability in consultation with the Mayor and appropriate Cabinet members to approve all future HCSN business cases and required terms, and

iii) To delegate authority to the Executive Director for Financial Sustainability to approve that agreed funding amounts under approved HCSN business cases be transferred as debt finance to HCSN under appropriate contractual arrangements

Alternatives Considered

1. The proposed governance arrangements have been developed over a number of months via consultation with members, senior officers and partners. They set out a framework process to allow delegated decision-making relating to HCSN to take place in a robust, transparent and practical way. The process has been modified repeatedly in recent months to take into consideration comments from members, senior officers and partners.

2. The consultation session with Cllr Terry Paul suggested that the process be streamlined slightly – which is reflected in more detail in (Appendix A).

10. North Woolwich Corridor

Decision status: Recommendations Approved

Is this a Key decision?: Yes

Is subject to call in?: Yes

Decision

For the reasons set out in the report Cabinet RESOLVED to AGREE

i) To fund the North Woolwich corridor initial design, consultation and
implementation through the allocation of section 106 planning obligations fund, arising from neighbouring developments. The contribution amount being £748k.; and

ii) That a Project Board be re-constituted to approve project level decisions, as set out in paragraph 3.6. of the report

Alternatives Considered

There are no alternatives as not undertaking this design and approval work as one corridor project, would lead to delays in obtaining approvals for individual sections, if they were stand-alone projects.

11. Smarter Working Programme

Decision status: Recommendations Approved

Is this a Key decision?: Yes

Is subject to call in?: Yes

Decision

For the reasons set out in the report Cabinet RESOLVED to AGREE

i) To earmark £10.058m of funding over the period 2018/19 to 2021/22 for the delivery of the Smarter Working Programme in the following way:

   a) £4.536m funded through the unallocated capital resources budget,
   b) £0.528m funded through the HRA Capital Programme,
   c) £3.675m funded through the General Fund Reserves,
   d) £1.319m funded from the HRA revenue reserves.

ii) The release of an initial £5.442m of funding to support the delivery of the first year of the programme.

iii) Note that a further paper will be presented to Cabinet in March 2020 to outline lessons learned from the programme’s first year of delivery and requesting the release of the remaining funding to complete the programme, which is costed at £4.616m and reviewed by Finance.

iv) Note that a robust Communication Plan will be drawn up to keep staff fully informed, involved and engaged throughout the
programme's lifecycle.

v) To note that this programme will be monitored / progressed and reviewed under the auspices of the Mayor’s ‘SMART Newham’ Board and links with the Corporate Change Board chaired by the CEO. This programme also aligns to the planned Mayor Strategic Board that oversees the interdependencies of Regeneration, Housing, Asset Management and investments. Reports will be produced by the Corporate PMO.

vi) To note that a full discussion to be undertaken on the council’s sites to ensure that the Smarter Working Programme is joined up with the emerging regeneration picture for the area.

Alternatives considered

Following the ‘Scoping and Requirements Workshops’ five options were considered for the implementation of the Smarter Working Programme:

- Option 1 - Must Do items only
- **Option 2 - Must and Should Do items (Recommended Option)**
- Option 3 - Must, Should and Could Do items
- Option 4 - Thin Client and Laptop Mixed Estate
- Option 5 - Do Nothing

The programme recommends the delivery of all 'Must Do' and 'Should Do' requirements (Option 2). This option delivers significant improvements for the organisation and delivers the outcomes required to meet all of the agreed Smarter Working Programme Principles.

A total of four alternative options were considered.

**Do Nothing**

This option was discounted, as without the delivery of the Smarter Working Programme, LBN will continue to:

- Have a technology offering that is out of date, slow and urgently requires replacement which is deemed as “Essential Works”
- Continue with out of date working practices and culture
- Retain much more office space than it requires at the expense of the public purse.

**Must Do items only**

This option was discounted as it only delivers the absolutely critical requirements identified from the User Engagement Workshops and excludes the delivery of a number of highly desirable requirements (‘Should Do’ and ‘Could Do’ MoSCoW categories).
This option will cost £10.183m to deliver.

**Must, Should and Could Do items**

This option was discounted as it’s more expensive than the recommended option and delivers items from the User Engagement Workshops that don’t add sufficient value.

This option will cost £12.150m to deliver.

**Thin Client and Laptop Mixed Estate**

A further option was assessed which considers an alternative technology solution. The option provides laptops to 50% of the workforce to provide them with flexibility and the provision of a thin client for the other 50% of the workforce providing them with a static solution.

With this option LBN will in effect be delivering two solutions. One solution for the more static workers (thin client) and one solution for more mobile workers (laptops).

Furthermore, most of the elements articulated within the recommended option of this paper, would still need to be delivered. This is to enable laptop users to work efficiently, albeit the cost of purchasing new laptops will decrease.

However, the investment to deliver an effective thin client solution is significant. LBN would need to replace the current virtual desktop and base units with a much more capable but expensive virtual desktop solution.

This option was discounted as its £2.658m more expensive to deliver than the recommended option and costs a total of £14.251m. It also provides a poorer user experience, does not meet a number of the Smarter Working Programme Principles and severely restricts the organisation ability to rationalise its office accommodation portfolio thus severely impacting the intended payback period and benefits realisation.
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This form is for procurements of goods and services above the EU Threshold (£181,302) and for works above £500,000 in value. For procurements below this amount, a Procurement Engagement Form needs to be completed.

### 1. CONTRACT TITLE AND KEY PEOPLE

<table>
<thead>
<tr>
<th>Contract Title</th>
<th>Arboricultural Services for Council-owned trees on Parks, Highways and Housing Land</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reference</td>
<td>Prj_osh_12656</td>
</tr>
<tr>
<td>Report Date</td>
<td>14/02/2019</td>
</tr>
<tr>
<td>Tender Manager</td>
<td>Mark Perkins</td>
</tr>
<tr>
<td>Directorate</td>
<td>Communities &amp; Environment</td>
</tr>
<tr>
<td>Buyer Assigned</td>
<td>Davina Alvares</td>
</tr>
<tr>
<td></td>
<td>Category Specialist, Construction and Housing</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Value of Contract</th>
<th>Targeted Financial Savings</th>
<th>Bankable Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>£1.2 million per annum (5 yr + 2 yr period)</td>
<td>£ 0</td>
<td>£ 0</td>
</tr>
</tbody>
</table>

Is budget available to proceed with this procurement? Yes  | Please enter the budget code  | Main budgets: G16110 and G10220 | If yes, is this a Revenue or Capital allocation?  | Revenue  | Procurement to be Approved by? Including date  | Cabinet Approval 5th March 2019 |

Proposed Contract Start date | Proposed Contract End date | Is there an option to extend the contract? | If yes, give duration of extension option |
<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>13/01/2020</td>
<td>13/01/2025</td>
<td>Yes</td>
<td>24 months</td>
</tr>
</tbody>
</table>

Procurement route being undertaken | Have you or your team received training on Capital eSourcing? | **Is there a current contract in place?** | If yes, insert expiry date |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>OJEU open tender process</td>
<td>Yes</td>
<td>Yes</td>
<td>12/06/2019 Recomending further 6 month extension at Cabinet on 05/03/2019</td>
</tr>
</tbody>
</table>

Please state the Quality/Price threshold | Does TUPE apply to this exercise? | Have you considered Collaborative Working? | Will you be using an eAuction or DPS? |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>30% Quality / 70% Price</td>
<td>Yes</td>
<td>No</td>
<td>eAuction</td>
</tr>
</tbody>
</table>

Checkpoint Summary

The purpose of the report is to seek approval to start planning for the procurement of arboricultural (tree) services in London Borough of Newham to ensure continuing service provision when the current contract ends.

The current contract with Serco PLC ("Serco") is due to expire on July 12th 2019. However, at Cabinet on 5th March 2019 the service are recommending the contract is extended for a further 6 month period so the end date of the current contract will be 12th January 2020.

The Council has a legal duty of care to ensure that trees on its public highways are properly maintained for all users and neighbouring landowners (especially in respect of tree roots). Maintenance regimes are a significant means by which the Council manages the risks associated with trees in particular.

The specification will be reviewed prior to procurement led by consultants Ricardo PLC and in consultation with the affected service areas & in house specialists. The consultants will also review the market and procurement approach to ensure it will deliver best value for money.

The arboriculture market is well developed and the service propose to follow an open OJEU tender process to ensure tenderers have the necessary technical qualifications given the specialist nature of the service which incurs additional health and safety risks associated with working at height. Prior to the release of the tender documentation it is intended to publish a Prior Information Notice (PIN) to foster interest from the market & allow a shorter procurement timetable if necessary.

A recent review of the current Schedule of Rates against known market costs in London and the South East suggests that the current rates are below market value. A such an e-auction will be held to assist in securing the most competitive bids.
Authority to commence procurement is being sought in line with Contract Procedure Rules being for supplies/services above the EU Procurement threshold of £181,302 and in excess of £500,000.00 set out in the Contract Procedure rules.

*Note: Finance will be unable to approve the report unless budget code details are included.

**Note: Where there is a current contract in place, ensure that sections 2.5 Personnel Matters and 6.5 Exit Strategy are fully completed.

## CHECKPOINT PANEL RESPONSE

<table>
<thead>
<tr>
<th>Date of Checkpoint Panel</th>
<th>DD/MM/YYYY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Panel Members Present</td>
<td>Insert names of attendees here</td>
</tr>
</tbody>
</table>

### 1. CONTRACT TITLE AND KEY PEOPLE

Checkpoint panel should insert any comments/and or recommendations here

### 2. BACKGROUND TO THE CONTRACT

Checkpoint panel should insert any comments/and or recommendations here

### 3. FINANCIAL: BUSINESS CASE & BENEFITS REALISATION

Checkpoint panel should insert any comments/and or recommendations here

### 4. SOCIAL VALUES

Checkpoint panel should insert any comments/and or recommendations here

### 5. PROJECT ORGANISATION

Checkpoint panel should insert any comments/and or recommendations here

### 6. CONTRACTING PROCESS

Checkpoint panel should insert any comments/and or recommendations here

### 7. ACHIEVABILITY

Checkpoint panel should insert any comments/and or recommendations here

## CHECKPOINT PANEL OVERALL RECOMMENDATION AND COMMENT

Checkpoint panel should insert any comments/and or recommendations here
Procurement to proceed? Panel insert Yes / No here
Red, Amber or Green Status? Panel insert Red, Amber, Green

2. BACKGROUND TO THE CONTRACT

2.1 Market Conditions
What are the market conditions – e.g. monopolistic, or highly competitive? If there is limited competition, what will you do to get best value?

A full assessment of the market will be completed by consultants Ricardo PLC when they start project managing the process in late February.
The market for arboricultural services is well developed with a large number of smaller companies delivering services, numerous regional players and a number of national players. It is expected that due to the value and scope of the contract (including TUPE implications) bids will be received from larger SME’s, regional and national companies.
From benchmarking against recently published tenders from other local authorities across the UK this tender as a stand alone arboricultural contract is relatively high as it incorporates highways, housing and parks land and therefore should attract good interest from the market.

2.2 Collaboration
Does the contract cover all of the relevant requirements across all departments of the Council? Indicate yes or no. If no please provide justification if adopting a departmental, rather than corporate approach. Have you considered working with other Local Authorities?

Yes, the contract covers all departments of the Council.

2.3 Sustainability
Please describe the main sustainability risks associated with the contract, and how they will be addressed. Please describe what actions you will take to ensure best practice in respect of Environmental protection, equalities, regeneration and corporate social responsibility. Please describe how these issues will be addressed in the contract.
The service already operates informal policies that ensure trees are managed for the best possible environmental outcome. For example, because of the environmental benefits of trees they will only be felled if necessary for the safety of people or property.
To ensure best practice in relation to environmental protection the new specification will be drafted to ensure trees are managed in accordance with industry good practice – British Standard 3998.

2.4 Diversity & Equality
Have the diversity and equality issues associated with this project been considered. Do the contract documents ensure best practice in respect of: Accessibility to service users, Monitoring of service users, Consideration of age, disability, transgender, pregnancy and maternity, race, religion/belief, sexual orientation, sex, marriage/Civil partnership, Reducing negative outcomes which result from class or socio economic disadvantage

This procurement will contribute in the medium to long term, by enabling the council to supply services that are fit for purpose & able to support front line services to the whole community, this will also give
best value.

2.5 Personnel Matters
Will TUPE apply to this contract? What arrangements are in place to address TUPE with the incumbent supplier? Are all arrangements in place to ensure that this is managed effectively? Are there any other HR/Personnel considerations to be taken into account? How will these be accommodated? If in doubt, has advice been sought from Legal?

TUPE will apply to this contract. There will be 4 x arborists and 1 x Operational Manager subject to TUPE.
TUPE information has already been sourced from the current contractor and reviewed by OneSource HR and HR legal.
A project team within Serco has been set up with HR contacts included.

2.6 Insurance
Have you checked with the insurance team the required insurance requirements for this contract?

These have been discussed in a broader sense, specific advice will be sought when designing the specification and tender documents.

2.7 Options Appraisal
Describe the different procurement options that were considered, including any outsourcing considerations. Have the main options been considered yet and if so why was the favoured option selected? Has a formal options appraisal been conducted, or is one planned?

Cease to provide the services - Ceasing to provide the services at the end of the current contract is not a practical option for the Council due to the legal obligations and associated risks outlined in the summary above.

In-source the service - This option is not recommended because the Council lacks any specialist knowledge of managing arboricultural operations. Out-sourcing is also recommended due to the level of risk associated with securing sufficient staff resources to deliver the volume of work required were the service to be in-sourced. An options appraisal carried out by consultants Ricardo PLC estimates that the Council’s current arboricultural programmed and non routine work volumes could support 18 FTEs but there are only 5 FTE directly employed on the current contract. Serco therefore rely heavily on sub-contractors to deliver the volume of work the contract requires and only 2 of these subcontract staff may be subject to TUPE regulations as Serco have indicated that 100% of their time is spent on the Newham contract. Therefore, the service would not have sufficient resource when the service came in house. Recruitment of additional staff could be problematic as there is anecdotal evidence to suggest that private sector arboricultural staff are unlikely to transfer to council employment due to perceptions of limited bonus and development opportunities. In the event that the staff did not transfer the Council would not have sufficient staff to deliver the services and would therefore need to procure additional resource on the open market or recruit. Officers do not believe there would be sufficient time to recruit to meet the shortfall after transfer resulting in an ability to meet work demand and increasing risk.

Out-source services to established street cleansing & estate cleaning small businesses - The Council could split the arboriculture services contract into the three separate geographic areas the external street cleansing businesses work to & go through the process to award these works to the existing businesses. However, this is not recommended for the same reasons as laid out on the option of in-sourcing.

Alternative procurement options – Framework - the service could procure by running a mini-competition through a
framework. There are several frameworks for arboricultural services available. However, it is not recommended that the contract is procured through a framework as it would restrict bidders to those already on the framework, which could in turn prevent the Council from receiving best value. Furthermore, the benefits of a framework are that suppliers are pre approved and the timeframes necessary can be reduced. However, the service have sufficient time so it is not deemed necessary to have these advantages.

3. FINANCIAL: BUSINESS CASE & BENEFITS REALISATION

If you have completed a large project business case, and the items outlined below are included in that, please state so and append the business case. (i.e. see attached business case)

3.1 Business Case

Please summarise the business case which should include an assessment of costs (including whole life costs) and benefits, show values and phasing of recurring costs and savings in cash terms, identify set-up and one off costs such as severances and windfalls, estimate pay-back on initial investment and include a sensitivity analysis for relevant factors (demand, unit price etc.).

<table>
<thead>
<tr>
<th>Service</th>
<th>Approximate Spend Per Annum</th>
<th>Potential Spend Over 5 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programmed Highways Work</td>
<td>£580,715.40</td>
<td>£2,903,577.00</td>
</tr>
<tr>
<td>Programmed Parks Work</td>
<td>£145,178.88</td>
<td>£725,894.40</td>
</tr>
<tr>
<td>Programmed Housing Work</td>
<td>£125,398.41</td>
<td>£626,992.05</td>
</tr>
<tr>
<td>Non Routine Work Orders Highways</td>
<td>£168,984.60</td>
<td>£844,923.00</td>
</tr>
<tr>
<td>Non Routine Work Orders Parks</td>
<td>£15,021.12</td>
<td>£75,105.60</td>
</tr>
<tr>
<td>Non Routine Work Orders Housing</td>
<td>£79,601.59</td>
<td>£398,007.95</td>
</tr>
<tr>
<td>Other works Misc</td>
<td>£85,000</td>
<td>£425,000</td>
</tr>
</tbody>
</table>

However, works are scheduled on an annual basis so can be decreased or increased as per budget levels.

3.2 Cashable Savings

Please describe what actions you have taken to ensure that cashable savings are achieved through this project.

Please show estimated cashable savings across the lifespan of the contract (this may relate to the figures entered under Targeted Financial Savings on the first page)

No savings are expected & instead it is intended that spend by kept at the same level by controlling the levels of work commissioned. Accurate modellung of arboricultural service costs is challenging as arboricultural contract costs are based on schedule of rates applied to work programmes which are variable. The options appraisal compared the Council’s current schedule of rates against market rates for those works items incurring greatest spend and concludes that, in comparison to similar contracts in London and the South East, current rates (pre 5% uplift) are on
average 13% lower than market rates. It is likely therefore that the cost of a schedule of rates based contract procured on the open market would increase. However, these costs could be offset by a review of the specification and frequency of programmed works accounting for 60% of total work. Furthermore, there may be scope to reduce the annual volume of works without adversely impacting on quality or increasing risk.

### 3.3 Headcount reductions

Please describe the anticipated savings as a result of headcount reductions. Are these cashable savings? Are they included in the calculations above?

| N/A |

### 3.4 Efficiency Gains

Describe other, NON cashable efficiencies including: minimising the cost of routine transactions, utilising IT to reduce costs and improve performance, the procurement process (i.e. electronic tendering/e-auctions), process rationalisation/simplification/reducing non-value added work, reducing other costs – consumption, wastage, price, specification, inventory / cash flow savings, getting more for less or the same, improved quality not included in cashable savings or headcount reductions above

When the new contract is rolled out it is expected that the contractor will use the same ICT software as the Council, Ezytreev. This will allow the contractor to automatically mark work as completed within the software, with the advantage the Council has this for any insurance claims. It will also allow work to be passed between the client & contractor team without replicating on paper forms and can be used for budget management. It will also improve response times as it will reduce the time of administrative processes.

### 3.5 Benefits Realisation

How will the money from cashable benefits be released? How will other benefits be demonstrated?

- Improved recording on Ezytreev software.

---

### 4. SOCIAL VALUES

#### 4.1 ESE Consideration

Please provide details of the considerations that have been made for economic, social and environmental well-being in connection with public services contracts and any connected purposes.

See 2.3

#### 4.2 Securing Improvements

Describe how this procurement improves the economic, social and environmental well being of the borough, and how these improvements are secured.

N/A – no major changes to service are anticipated in the new contract and therefore there will be no change to economic, social or environmental well being of the borough.

Key Performance Indicators will be developed as the Council develop the specification with consultants.

---

### 5. PROJECT ORGANISATION

#### 5.1 Roles & Responsibilities
A project team has already been set up on the whole grounds maintenance and associated services contract. There are representatives from:

- Finance
- Procurement
- Legal
- Pensions
- Housing
- Insurance
- Asset Management
- ICT
- Fleet & Stores
- Unions
- Facilities Management
- East London Waste Authority
- Health & Safety
- Contact Centre & Complaints team

Pensions, HR and Payroll are also included in the project team for the Grounds Maintenance insourcing.

The project will be set up on VERTO once Cabinet approval is received for the proposed approach to procure a new arboricultural contractor and insource the grounds service.

**5.2 Communication Plan**

Describe how communications will be managed with internal customers staff affected by new ways of working, DMT and NEB, other stakeholders.

Regular meetings with internal staff involved

Staff subject to TUPE will be contacted through the current and incoming contractors with toolbox talks, group meetings and 121 meetings.

**5.3 Stakeholder involvement**

List the major stakeholders and describe how they will be engaged include members, residents, services, suppliers and other agencies. Summarise the consultation process.

The lead member for environment will be updated regularly on the procurement progress.

**5.4 Project Plan**

To follow currently in draft format.

**6. CONTRACTING PROCESS**

**6.1 Tender Documentation**

Is all the tender documentation drafted including (as appropriate)

To be drafted when consultants Ricardo have started.

<table>
<thead>
<tr>
<th>Document</th>
<th>Drafted</th>
</tr>
</thead>
<tbody>
<tr>
<td>OJEU Advert</td>
<td>No</td>
</tr>
<tr>
<td>Instructions to tender</td>
<td>No</td>
</tr>
<tr>
<td>PQQ</td>
<td>No</td>
</tr>
<tr>
<td>Specification (including KPIs)</td>
<td>No</td>
</tr>
<tr>
<td>Evaluation Model</td>
<td>No</td>
</tr>
<tr>
<td>Conditions of Contract</td>
<td>No</td>
</tr>
</tbody>
</table>
6.2 Contract Award Criteria
Please provide full details of proposed weighted contract award criteria
The contract will be awarded on 70% price / 30% quality where permissible.

6.3 Price Controls
<table>
<thead>
<tr>
<th>Are price revisions permitted by the tender documents?</th>
<th>TBC</th>
</tr>
</thead>
<tbody>
<tr>
<td>If so on what basis? (Up or down or both, and by what margin)</td>
<td>N/A</td>
</tr>
</tbody>
</table>

6.4 Tender Evaluation
Has the tender evaluation team been formed?
Has the process for evaluation been agreed?
Describe the evaluation methodology, including how you will award points for quality and price submissions, and the weightings to be applied
Process for evaluation will be Price 70% - Quality 30%

6.5 Exit Strategy
This section is relevant where an existing contract is place. If not, go on to the next question. Do you have in place an appropriate exit strategy for the existing contract? Is the current supplier aware of the strategy and have you received confirmation that they will comply? Do you envisage any issues with the transition from the old contract to the new one?
The current contractor has put together a de-mobilisation plan (albeit pending update with new contract end date).
A risk matrix has been put together which details the risks during the transition and how these will be managed.

6.6 Contract Management
Has resource for contract management been identified?
Have any issues with current arrangements been identified?
Current contract management resource will continue to manage the new contract.

7. ACHIEVABILITY

7.1 Risk
Please describe the approach to risk management. What are the 5 key risks? If you have a risk log, state so and attach it to this checkpoint.
See attached risk log.

7.2 Governance Requirements
Please confirm that you are aware of and will comply with all procedural requirements including: Loading documents on Capital eSourcing, EU Procurement Directives, waivers of financial regulations (if appropriate), procedures for Contract Award and any other relevant requirements
Confirmed.