

# Cabinet

## Agenda

**MONDAY**  
**4 MARCH 2019**  
**7.00 pm**

**COURTYARD ROOM**  
**HAMMERSMITH**  
**TOWN HALL**  
**KING STREET**  
**LONDON W6 9JU**

### Membership

Councillor Stephen Cowan, Leader of the Council  
Councillor Sue Fennimore, Deputy Leader  
Councillor Larry Culhane, Cabinet Member for Children and Education  
Councillor Andrew Jones, Cabinet Member for the Economy and the Arts  
Councillor Wesley Harcourt, Cabinet Member for the Environment  
Councillor Max Schmid, Cabinet Member for Finance and Commercial Services  
Councillor Ben Coleman, Cabinet Member for Health and Adult Social Care  
Councillor Lisa Homan, Cabinet Member for Housing  
Councillor Adam Connell, Cabinet Member for Public Services Reform  
Councillor Sue Macmillan, Cabinet Member for Strategy

**Date Issued**  
**22 February 2019**

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Reports on the open Cabinet agenda are available on the Council's website: [www.lbhf.gov.uk/councillors-and-democracy](http://www.lbhf.gov.uk/councillors-and-democracy)

### PUBLIC NOTICE

The Cabinet hereby gives notice of its intention that it may want to hold part of this meeting in private to consider the exempt elements of items 1 and 10 to 14 which are exempt under paragraph 3 of Schedule 12A to the Local Government Act 1972, in that they relate to the financial or business affairs of any particular person, including the authority holding the information.

The Cabinet has received no representations as to why the relevant part of the meeting should not be held in private.

**Members of the Public are welcome to attend.**  
**A loop system for hearing impairment is provided, together with disabled access to the building**

### DEPUTATIONS

Members of the public may submit a request for a deputation to the Cabinet on item numbers **5-14** on this agenda using the Council's Deputation Request Form. The completed Form, to be sent to Kayode Adewumi at the above address, must be signed by at least ten registered electors of the Borough and will be subject to the Council's procedures on the receipt of deputations. **Deadline for receipt of deputation requests: Wednesday 27 February 2019.**

### COUNCILLORS' CALL-IN TO SCRUTINY COMMITTEES

A decision list regarding items on this agenda will be published by **Wednesday 6 March 2019**. Items on the agenda may be called in to the relevant Accountability Committee.

The deadline for receipt of call-in requests is: **Monday 11 Marh 2019 at 3.00pm**. Decisions not called in by this date will then be deemed approved and may be implemented.

A confirmed decision list will be published after 3:00pm on **Monday 11 Marh 2019**.

# Cabinet Agenda

4 March 2019

<u>Item</u>		<u>Pages</u>
1.	<b>MINUTES OF THE CABINET MEETING HELD ON 4 FEBRUARY 2019</b>	7 - 24

*These minutes include the exempt minutes in a separate document which contain information exempt within the meaning of Schedule 12A to the Local Government Act 1972 and are not for publication. The exempt minutes have therefore been circulated to Cabinet Members only.*

***Any discussions on the contents of the exempt minutes will require Cabinet to pass the proposed resolution identified at the end of the agenda to exclude members of the public and the press from the proceedings for that discussion.***

## 2. APOLOGIES FOR ABSENCE

## 3. DECLARATION OF INTERESTS

If a Councillor has a disclosable pecuniary interest in a particular item, whether or not it is entered in the Authority's register of interests, or any other significant interest which they consider should be declared in the public interest, they should declare the existence and, unless it is a sensitive interest as defined in the Member Code of Conduct, the nature of the interest at the commencement of the consideration of that item or as soon as it becomes apparent.

At meetings where members of the public are allowed to be in attendance and speak, any Councillor with a disclosable pecuniary interest or other significant interest may also make representations, give evidence or answer questions about the matter. The Councillor must then withdraw immediately from the meeting before the matter is discussed and any vote taken.

Where Members of the public are not allowed to be in attendance and speak, then the Councillor with a disclosable pecuniary interest should withdraw from the meeting whilst the matter is under consideration. Councillors who have declared other significant interests should also withdraw from the meeting if they consider their continued participation in the matter would not be reasonable in the circumstances and may give rise to a perception of a conflict of interest.

Councillors are not obliged to withdraw from the meeting where a dispensation to that effect has been obtained from the Audit, Pensions

and Standards Committee.

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|-----|---|-----------|
| 4.  | <b>FINAL REPORT OF THE OLDER PEOPLE'S COMMISSION</b>  | 25 - 59   |
| 5.  | <b>APPROVAL TO DRAW DOWN SECTION 106 RECEIPTS TO FUND THE ACTIVITIES OF THE WORK MATTERS (EMPLOYMENT &amp; SKILLS) AND BUSINESS INVESTMENT TEAMS 2018-2020</b>    | 60 - 68   |
| 6.  | <b>DECISION TO JOIN A GOVERNMENT AND LONDON COUNCILS SPONSORED COMPANY TO CENTRALISE THE PROCUREMENT OF TEMPORARY ACCOMMODATION LEASED FROM PRIVATE LANDLORDS</b> | 69 - 81   |
| 7.  | <b>BUSINESS CASE &amp; PROCUREMENT STRATEGY IN RELATION TO LIGHTNING PROTECTION</b>   | 82 - 93   |
| 8.  | <b>BUSINESS CASE &amp; PROCUREMENT STRATEGY: THE PROCUREMENT OF LED LIGHTING FOR RESIDENTIAL BLOCKS AND ESTATE COLUMN LIGHTING</b>                                | 94 - 112  |
| 9.  | <b>BUSINESS CASE &amp; PROCUREMENT STRATEGY IN RELATION TO THE PROCUREMENT OF A LANDSCAPE CONTRACTOR FOR FRANK BANFIELD PARK</b>                                  | 113 - 134 |
| 10. | <b>AWARD OF CONTRACT FOR CONTRACTS AND PROCUREMENT LEGAL ADVICE</b>   | 135 - 140 |

This report has an appendix which contains information exempt within the meaning of Schedule 12A to the Local Government Act 1972 and is not for publication. The appendix has therefore been circulated to Cabinet Members only.

***Any discussions on the contents of an exempt appendix will require Cabinet to pass the proposed resolution identified at the end of the agenda to exclude members of the public and the press from the proceedings for that discussion.***

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| 11. | <b>COSTS OF THE INTERIM HOUSING REPAIRS DELIVERY MODEL</b> | 141 - 165 |
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This report has appendices which contain information exempt within the meaning of Schedule 12A to the Local Government Act 1972 and are not for publication. The appendices have therefore been circulated to Cabinet Members only.

***Any discussions on the contents of an exempt appendix will require Cabinet to pass the proposed resolution identified at the end of the agenda to exclude members of the public and the press from the proceedings for that discussion.***

**12. COMMUNITY SCHOOLS PROGRAMME - APPROVAL OF SCHOOL RENEWAL STRATEGY AND PROCUREMENT OF INCLUSIVE DESIGN TEAM** 166 - 178

This report has an appendix which contains information exempt within the meaning of Schedule 12A to the Local Government Act 1972 and is not for publication. The appendix has therefore been circulated to Cabinet Members only.

***Any discussions on the contents of an exempt appendix will require Cabinet to pass the proposed resolution identified at the end of the agenda to exclude members of the public and the press from the proceedings for that discussion.***

**13. PURCHASE THE FORMER WHITE CITY HEALTH CENTRE ON WHITE CITY ESTATE FROM NHS PROPERTY SERVICES** 179 - 187

This report has two appendices which contain information exempt within the meaning of Schedule 12A to the Local Government Act 1972 and are not for publication. The appendices have therefore been circulated to Cabinet Members only.

***Any discussions on the contents of an exempt appendix will require Cabinet to pass the proposed resolution identified at the end of the agenda to exclude members of the public and the press from the proceedings for that discussion.***

**14. DIRECT AWARD OF HEALTH VISITING AND SCHOOL NURSING CONTRACTS** 188 - 193

This report has an appendix which contains information exempt within the meaning of Schedule 12A to the Local Government Act 1972 and is not for publication. The appendix has therefore been circulated to Cabinet Members only.

***Any discussions on the contents of an exempt appendix will require Cabinet to pass the proposed resolution identified at the end of the agenda to exclude members of the public and the press from the proceedings for that discussion.***

**15. FORWARD PLAN OF KEY DECISIONS** 194 - 206

**16. ANY OTHER BUSINESS**

**LOCAL GOVERNMENT ACT 1972 - ACCESS TO INFORMATION**

**Proposed resolution:**

*Under Section 100A (4) of the Local Government Act 1972, that the public and press be excluded from the meeting during the consideration of the following items of business, on the grounds that they contain the likely disclosure of exempt information, as defined in paragraph 3 of Schedule 12A of the said Act, and that the public interest in maintaining the exemption currently outweighs the public interest in disclosing the information.*

London Borough of Hammersmith & Fulham

# Cabinet Minutes



Monday 4 February 2019

## **PRESENT**

Councillor Stephen Cowan, Leader of the Council  
Councillor Sue Fennimore, Deputy Leader  
Councillor Ben Coleman, Cabinet Member for Health and Adult Social Care  
Councillor Adam Connell, Cabinet Member for Public Services Reform  
Councillor Larry Culhane, Cabinet Member for Children and Education  
Councillor Wesley Harcourt, Cabinet Member for the Environment  
Councillor Andrew Jones, Cabinet Member for the Economy and the Arts  
Councillor Lisa Homan, Cabinet Member for Housing  
Councillor Sue Macmillan, Cabinet Member for Strategy  
Councillor Max Schmid, Cabinet Member for Finance and Commercial Services

## **ALSO PRESENT**

Councillor Victoria Brocklebank-Fowler  
Councillor Frances Stainton

## **115. MINUTES OF THE CABINET MEETING HELD ON 14 JANUARY 2019**

### **RESOLVED:**

That the minutes of the meeting of the Cabinet held on 14 January 2019 be confirmed and signed as an accurate record of the proceedings, and that the outstanding actions be noted.

## **116. APOLOGIES FOR ABSENCE**

There were no apologies for absence.

## **117. DECLARATION OF INTERESTS**

Councillor Wesley Harcourt declared a significant interest in respect of agenda items 11 and 24 entitled "Linford Christie Outdoor Sports Stadium - Public Consultation on Options", as he is the Chair of Wormwood Scrubs Charitable Trust. He considered that in the circumstances it would be unreasonable to participate in the matter and therefore left the room during the discussion without speaking or voting thereon.

Considering the above, the Leader suggested rearranging the order of the agenda and discuss Agenda Item 11 after Item 20 and Agenda Item 24 after Item 22 respectively, which was agreed by Cabinet.

## 118. REVENUE BUDGET AND COUNCIL TAX LEVELS 2019/20

### RESOLVED:

That the Cabinet recommends that Council, for the reasons set out in this report and appendices, agrees:

1. To note that the Council is entering the 10th year of government-imposed austerity. This year's reduction in government investment is £3.5m, meaning a total reduction of £73m.
2. To apply central government's modelled "adult social care precept" levy of 2% for 2019/20.
3. To note that in previous years this levy was covered by the council but due to continued government cuts this has become unsustainable
4. To adjust the Hammersmith & Fulham element of the council tax in line with inflation (2.7%) for 2019/20.
5. To set council tax for 2019/20 for each category of dwelling, as calculated in accordance with Sections 31A to 49B of the Localism Act 2011, as outlined in the table below and in full in Appendix A:
  - (a) The element of council tax charged for Hammersmith & Fulham Council will be £762.02 per Band D property in 2019/20
  - (b) *The overall Council Tax to be set at £1,082.53 per Band D property in 2019/20.*
  - (c) *The Adult Social Care Precept will be set at 2% and forms £14.55 of the Hammersmith & Fulham Band D charge.*

Category of Dwelling	A	B	C	D	E	F	G	H
Ratio	6/9 £	7/9 £	8/9 £	1 £	11/9 £	13/9 £	15/9 £	18/9 £
a) H&F	508.01	592.68	677.35	762.02	931.36	1,100.7 0	1,270.0 3	1,524.0 4
b) GLA	213.67	249.29	284.90	320.51	391.73	462.96	534.18	641.02
<b>c) Total</b>	<b>721.68</b>	<b>841.97</b>	<b>962.25</b>	<b>1,082.5 3</b>	<b>1,323.0 9</b>	<b>1,563.6 6</b>	<b>1,804.2 1</b>	<b>2,165.0 6</b>

6. To note the element of council tax charged by the Greater London Authority in accordance with Section 40 of the Local Government Finance Act 1992 will be £320.51 per Band D property in 2019/20.



7. To set the Council's own total net expenditure budget for 2019/20 at £136.678m.
8. To approve £10.8m new investment on key services for residents.
9. To approve fees and charges as set out in paragraph 6.1 including freezing charges in adult social care, children's services and housing.
10. To approve the use of £2.0m from the additional benefit receivable from the 2018/19 London 100% business rates retention pilot.
11. To note the budget projections to 2022/23 made by the Strategic Director, Finance and Governance in consultation with the Strategic Leadership Team.
12. To note the statement of the Strategic Director, Finance and Governance, under Section 25 of the Local Government Act 2003, regarding the adequacy of reserves and robustness of estimates (section 14).
13. To authorise the Strategic Director, Finance and Governance to collect and recover National Non-Domestic Rate and Council Tax in accordance with the Local Government Finance Act 1988 (as amended), the Local Government Finance Act 1992 and the Council's Scheme of Delegation.
14. To require all Directors to report on their projected financial position compared to their revenue estimates in accordance with the Corporate Revenue Monitoring Report timetable.
15. To authorise Directors to implement their service spending plans for 2019/20 in accordance with the recommendations within this report and the Council's Standing Orders, Financial Regulations, relevant Schemes of Delegation and any further consultation required regarding the Equalities Impact Assessment.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**119. CORPORATE REVENUE MONITOR 2018/19 MONTH 7 - 31ST OCTOBER 2018**

**RESOLVED:**

1. To note the forecast General Fund outturn and require the Directors and Cabinet to identify further mitigating actions that offset the forecast overspend.
2. To note the HRA forecast underspend.
3. To agree the virements detailed in appendix 10.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**120. CAPITAL PROGRAMME MONITOR & BUDGET VARIATIONS, 2018/19 (THIRD QUARTER)**

**RESOLVED:**

1. To approve the proposed budget variations to the capital programme totalling £2.5m (summarised in Table 1 and detailed in Appendix 2).
2. To approve the potential application of capital receipts under the Flexible Use of Capital Receipts provisions to fund £5.39m of Invest to Save schemes with a final decision on whether to use this flexibility delegated to the Strategic Director, Finance and Governance, in consultation with the Cabinet Member for Finance and Commercial Services, as part of the closure of the 2018/19 accounts.
3. To approve use of Special Provision Capital Fund (SEND) grant to fund remaining £406,000 of expenditure in relation to Queens Manor Resource Centre (Stephen Wiltshire Centre).
4. To note the issues regarding General Fund Capital Programme described in sections 5 and 6 of the report.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**121. FOUR YEAR CAPITAL PROGRAMME 2019/20 AND CAPITAL STRATEGY 2019/20**

**RESOLVED:**

1. To approve the General Fund Capital Programme budget at £54.3m for 2019/20 (paragraph 5.1, Table 2 and Appendix 1).
2. To approve the Council's rolling programmes and the continued use of internal funding for 2019/20 General Fund 'Mainstream' Programme as set out in Table 3 (paragraph 5.2) and specifically as follows:

- Capital receipts and internal borrowing amounting to £4.53m to fund the Council's rolling programmes as follows:

	£m
Planned Maintenance/DDA Programme [RES]	2.50
Footways and Carriageways [RES]	2.03
<b>Total</b>	<b>4.53</b>

- Contributions from revenue amounting to £0.521m to fund the Council's rolling programmes as follows:

	£m
Controlled Parking Zones [RES]	0.275
Column Replacement [RES]	0.246
<b>Total</b>	<b>0.521</b>

3. To note existing capital receipts funded schemes previously approved, but now scheduled for 2019/20 (paragraph 5.2, Table 3):
  - One off scheme: Carnwath Road - £1.87m (reduced from £3.07m)
  - Rolling programme: Planned Maintenance/DDA Programme - £3.57m
4. To approve the Housing Programme at £66.7m for 2019/20 as set out in Table 5 (paragraph 7.2) and Appendix 1.
5. To delegate the potential application of 2018/19 capital receipts (totalling £5.39m) under the Government's Flexible Use of Capital Receipts provisions to fund Invest to Save schemes in 2018/19 and 2019/20 (as

identified in Appendix 5) to the Strategic Director, Finance and Governance, in consultation with the Cabinet Member for Finance and Commercial Services, as part of the closure of the 2018/19 accounts.

6. To approve a change of funding of £0.45m of Disabled Facilities Grant (DFG) budget for 2019/20 and future years, to be funded from DFG grant instead of mainstream resources.
7. To approve an additional budget envelope of £50m, from 2019/20 onwards, to provide operational flexibility, for taking forward the major projects set out in Capital Strategy Report. Use of this budget will be subject to relevant Member approval, agreement of funding sources and sign-off of an appropriate business case.
8. To approve budget envelop of £7.6m for Schools Maintenance Programme funded from Department of Education external grants. Use of this budget will be subject to relevant Member approval and sign-off of an appropriate business case.
9. To approve Capital Strategy 2019/20, as set out in Appendix 4.
10. To approve annual Minimum Revenue Provision policy statement for 2019/20, as set out in Appendix 6.
11. To approve that the Parks Capital programme for 2019/20 and future years continues to be funded from S106 and other external funding sources where available. Schemes will be added when funding is confirmed and in line with the Parks Capital Strategy.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**122. TREASURY MANAGEMENT STRATEGY STATEMENT 2019/20**

**RESOLVED:**

1. That approval be given to the future borrowing and investment strategies as outlined in this report and that the Strategic Finance Director, in consultation with the Cabinet Member for Finance, be authorised to manage the Council's cash flow, borrowing and investments in 2019/20 in line with this report.

2. In relation to the Council's overall borrowing for the financial year, to approve the Prudential Indicators as set out in this report and the revised Annual Investment Strategy set out in Appendix E.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**123. CLOSURE OF ON-SITE PRINT SERVICES**

**RESOLVED:**

To approve the closure of the on-site printing service provided by Hammerprint resulting in the deletion of two posts, as set out in option 3. Funding for any redundancy costs will be met from the Corporate budget provision for these costs.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**124. AWARD OF A SUPPORT CONTRACT FOR INFORMATION@WORK**

**RESOLVED:**

1. To approve a waiver under Contract Standing Orders (CSO) 3.1 in relation to the competition requirement (for obtaining 3 quotes) set out in CSO 10.2 to award a support contract for I@Work on the basis that it is in the council's overall interest and that the nature of the market for the goods to be purchased has been investigated and is demonstrated to be such that a departure from these CSOs is justifiable.

2. To approve the award of the support contract to Northgate Public Services Limited for 2 years with an option to extend for 1 additional year at a total contract value of £120,000 for the three-year period to be funded from the existing operational budget.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**125. LINFORD CHRISTIE OUTDOOR SPORTS STADIUM - PUBLIC CONSULTATION ON OPTIONS**

Councillor Wesley Harcourt declared a significant interest in respect of this item, as he is the Chair of Wormwood Scrubs Charitable Trust (WSCT). He considered that in the circumstances it would be unreasonable to participate in the matter and therefore left the room during the discussion without speaking or voting thereon.

At the request of Councillor Harcourt prior to the meeting the Leader stated that although the version of the report on the agenda was the one that was presented to, and discussed at the WSCT Board meeting on 19 December 2018, and while the Board agreed, in principle, to the joint consultation on the future of Linford Christie Stadium, the report had not been agreed and a number of amendments had been requested. The revised report incorporating the amendments was only circulated, to the WSCT Board Members this afternoon, before the Cabinet meeting.

In light of Councillor Harcourt's comments, the Leader proposed that recommendation 2.2 be amended, incorporating the section underlined below:

- 2.2 To approve a joint public consultation with the Wormwood Scrubs Charitable Trust on the options for the Linford Christie Outdoors Sports Stadium for a period of 12 weeks, subject to confirmation by the Trust that they wish to proceed with the consultation.

**RESOLVED:**

1. To note the ongoing financial challenge that the Council and the Trust face in continuing to maintain and operate the Linford Christie Outdoors Sports Stadium and the associated sports facilities on the Scrubs.

2. To approve a joint public consultation with the Wormwood Scrubs Charitable Trust on the options for the Linford Christie Outdoors Sports Stadium for a period of 12 weeks, subject to confirmation by the Trust that they wish to proceed with the consultation.
3. To approve a budget of £100,000 to cover costs arising from 2.3 for professional advice required in assessing the consultation responses and making recommendations to Cabinet, to be funded from the Corporate Demands and Pressures reserve.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**126. BUSINESS CASE & PROCUREMENT STRATEGY FOR THE PROCUREMENT OF LEGAL ADVICE SERVICES TO SUPPORT THE COUNCIL ON THE EARL'S COURT REGENERATION SCHEME**

**RESOLVED:**

1. To Approve the Procurement Strategy and Business Case, attached as Appendix 1, which is to call off from the Crown Commercial Service Framework.
2. To approve the award of a contract to Lewis Silkin LLP for the supply of legal support to the Council in relation to the Earl's Court Regeneration Project and the Conditional Land Sale Agreement (CLSA) for an initial duration of two (2) years with an option to extend for up to two (2) more years on the rates as set out in the CCS framework and at a contract value contained within budgets as set out in sections 9.3 & 9.4, in the exempt report on the exempt Cabinet agenda.
3. To delegate the decision to extend the contract by up to two years (as set out in section 2.5 of appendix 1) to the Strategic Director of Growth and Place.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**127. APPROVAL TO WAIVE CONTRACT STANDING ORDERS AND TO APPOINT ARKBUILD PLC. AS MAIN CONTRACTOR FOR THE CONSTRUCTION OF 10 GENUINELY AFFORDABLE NEW HOMES AT SPRING VALE ESTATE**

**RESOLVED:**

1. That Cabinet approves a waiver of the standard tendering requirements of Contract Standing Orders to permit a direct award of contract for the appointment of a contractor for a building scheme at Spring Vale Estate on the basis that the market for the works has been investigated and demonstrated to be such that a departure from Contract Standing Orders is justified.
2. That Cabinet approves an increase in the project budget of £352,559 to allow for development costs that fall outside of the scope of the contract as well as a 5% contingency on the build contract.
3. That the increase in the project budget of £352,559 be funded by:
  - £105,768 of Right to Buy one for one receipts
  - A £246,791 increase in the Housing Capital Financing Requirement, financed initially by internal borrowing.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**128. MODERNISATION OF 6 PASSENGER LIFTS, SPRINGVALE ESTATE W14 (THACKERAY COURT A&B, ELGAR COURT, CALCOTT COURT, BRONTE COURT, WALPOLE COURT)**

**RESOLVED:**

1. That approval be given to award a contract for replacement of the lifts on the Springvale Estate to Liftec Lifts Ltd in the sum stated in the exempt



report for an anticipated contract period of 45 weeks. Following off-site design and fabrication of the new lifts the works are expected to start on site on 3rd June 2019, with a completion date of 23rd December 2019.

2. That approval be given to the inclusion of the contingency sum stated in the exempt report in the overall budget, making a total sum for approval as stated in the exempt report.
3. To note that this award is subject to completion of consultation with affected leaseholders under Section 20 of the Landlord and Tenant Act 1985.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**129. DETAILS OF THE INTERIM HOUSING REPAIRS DELIVERY MODEL**

**RESOLVED:**

1. To approve in principle the details of the DLO and interim repairs delivery model that will be in place from 17<sup>th</sup> April 2019. A further report will come to Cabinet in March to confirm the financial implications and request budget approval.
2. To note that there are further recommendations on the exempt report.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**130. FINANCIAL PLAN FOR COUNCIL HOMES: THE HOUSING REVENUE ACCOUNT FINANCIAL STRATEGY, 2019/20 HOUSING REVENUE ACCOUNT BUDGET AND 2019/20 RENT REDUCTION**

**RESOLVED:**

1. To approve the Housing Revenue Account 2019/20 budget for Council homes as set out in Table 1.
2. To approve a rent reduction of 1% from April 1<sup>st</sup> 2019 which equates to an average weekly decrease of £1.16 in 2018/19 (as required under the Welfare Reform and Work Act 2016).
3. To approve 2018/19 capital programme slippage of £1.4m
4. To recommend that Full Council approves the HRA capital programme for 2018/19 to 2022/23 for a total of £255m including additions of £41.9m in 2022/23 which are presented in Table 4 (with individual schemes subject to Cabinet approval where appropriate).
5. To note the 5-year revenue budgets for 2019/20 to 2023/24 (Table 1).
6. To note the 40 Year Financial Plan for Council Homes for 2019/20 to 2058/59 as set out in section 5 of this report.
7. To note the HRA Medium Term Financial Strategy (MTFS) which includes revenue growth relating to the restructure of the Growth & Place department of £1.94m (see Appendix 2) and also plans to deliver on-going annual revenue savings of £0.1million per annum from 2019/20 rising to £0.8million per annum from 2020/21 and £0.9million per annum from 2021/22 onwards with savings coming principally from better stock condition and housing management (see Appendix 1).
8. To approve a change in rent policy to CPI<sup>1</sup> + 1% from 2020/21 plus use of the rent flexibility level (where rents for new lets are set at 5% above the formula rent subject to the rent cap).
9. To approve an increase to equity share rents, which fall outside the Government's requirement to reduce social housing rents by 1% each year, of CPI (2.4% as at September 2018).
10. To approve an increase in tenant service charges of CPI (2.4% as at September 2018).
11. To note that Thames Water Authority is not due to confirm the increase in tenants' water charges until the end of January 2019, and therefore to delegate authority to the Strategic Director Growth and Place in conjunction with the Cabinet Member for Housing to agree the average increase in water charges.

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<sup>1</sup> The Council uses CPI as at August for all non-housing rent-related annual charge increases. However, the Council's rent increases are based on the September CPI as this is consistent with other local housing authorities.

12. To approve a freeze in the communal heating charges.
13. To increase parking and garage charges by CPI (2.7% as at August 2018).
14. To note the risks outlined in Appendix 3: Key Risks, of this report.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**131. HEALTHWATCH - EXTENSION AND PROCUREMENT STRATEGY FOR FUTURE PROVISION**

**RESOLVED:**

- 1 That Cabinet approves a waiver of Contract Stranding Order 3.1 to allow the direct award of a nine-month contract to Healthwatch Central West London on the basis that this is in the Council's overall interest. This will commence on 1st April 2019 and end on 31<sup>st</sup> December 2019 at a cost of £105,000.
- 2 That Cabinet approves the Procurement Strategy and Business Case for the procurement of a new contract for the provision of Healthwatch services. The new contract will commence on 1st January 2020 for a period of two years with the option to extend for two further periods of one year. The maximum estimated annual value is £122,500 with a maximum lifetime value of £490,000.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

## **132. APPROVAL TO TENDER AND PROCURE RAPID EV CHARGE POINTS**

### **RESOLVED:**

1. To approve the procurement strategy to call-off from the TfL's Rapid Charge Point Concessions Framework agreement for this (three spaces in Sussex Place) and any future requirement for electric vehicle rapid charge points during the period of the Framework.
2. To delegate the approval to award any future electric vehicle rapid charge point call-off contracts to the Director of Residents' Services in consultation with the Cabinet Member for the Environment.

### **Reason for decision:**

As set out in the report.

### **Alternative options considered and rejected:**

As outlined in the report.

### **Record of any conflict of interest:**

None.

### **Note of dispensation in respect of any declared conflict of interest:**

None.

## **133. PARKING MANAGEMENT AND CONTROL REVIEW**

### **RESOLVED:**

1. To increase the standard Pay & Display (P&D) parking tariffs 1 and 2 to £2.50 and £3.20 per hour respectively, during the 2019/20 financial year, in order to better manage and control parking in the Borough.
2. To note that the Borough welcomes businesses to locate in Hammersmith and Fulham and positive developments and can support these by suspending parking bays for a limited time, however to better control these in the interests of residents and their visitors increases in fees should be applied.
3. To agree that to meet these demands suspension charges will become £44 per day for periods up to five days, £66 per day for periods between six and 42 days, and £88 per day for periods of more than 43 days.

### **Reason for decision:**

As set out in the report.

### **Alternative options considered and rejected:**

As outlined in the report.

### **Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**134. FORWARD PLAN OF KEY DECISIONS**

The Key Decision List was noted.

**135. EXCLUSION OF PRESS AND PUBLIC**

**RESOLVED:**

That under Section 100A (4) of the Local Government Act 1972, the public and press be excluded from the meeting during consideration of the remaining items of business on the grounds that they contain information relating to the financial or business affairs of a person (including the authority) as defined in paragraph 3 of Schedule 12A of the Act, and that the public interest in maintaining the exemption currently outweighs the public interest in disclosing the information.

**The following is a public summary of the exempt information under S.100C (2) of the Local Government Act 1972. Exempt minutes exist as a separate document.**

**136. EXEMPT MINUTES OF THE CABINET MEETING HELD ON 14 JANUARY 2019 (E)**

**RESOLVED:**

That the minutes of the meeting of the Cabinet held on 14 January 2019 be confirmed and signed as an accurate record of the proceedings, and that the outstanding actions be noted.

**137. CLOSURE OF ON-SITE PRINT SERVICES: EXEMPT ASPECTS (E)**

**RESOLVED:**

That the recommendation contained in the exempt report be approved.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**138. LINFORD CHRISTIE OUTDOOR SPORTS STADIUM - PUBLIC CONSULTATION ON OPTIONS: EXEMPT ASPECTS (E)**

Councillor Wesley Harcourt declared a significant interest in respect of this item, as he is the Chair of Wormwood Scrubs Charitable Trust. He considered that in the circumstances it would be unreasonable to participate in the matter and therefore left the room during the discussion without speaking or voting thereon.

**RESOLVED:**

That Appendix 2 in the exempt report be noted.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**139. BUSINESS CASE & PROCUREMENT STRATEGY FOR THE PROCUREMENT OF LEGAL ADVICE SERVICES TO SUPPORT THE COUNCIL ON THE EARL'S COURT REGENERATION SCHEME: EXEMPT ASPECTS (E)**

**RESOLVED:**

That the report be noted.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**140. APPROVAL TO WAIVE CONTRACT STANDING ORDERS AND TO APPOINT ARKBUILD PLC. AS MAIN CONTRACTOR FOR THE**

**CONSTRUCTION OF 10 GENUINELY AFFORDABLE NEW HOMES AT SPRING VALE ESTATE: EXEMPT ASPECTS (E)**

**RESOLVED:**

That the recommendations contained in the exempt report be approved.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**141. MODERNISATION OF 6 PASSENGER LIFTS, SPRINGVALE ESTATE W14 (THACKERAY COURT A&B, ELGAR COURT, CALCOTT COURT, BRONTE COURT, WALPOLE COURT): EXEMPT ASPECTS (E)**

**RESOLVED:**

That the recommendations contained in the exempt report be approved.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**142. DETAILS OF THE INTERIM HOUSING REPAIRS DELIVERY MODEL: EXEMPT ASPECTS (E)**

**RESOLVED:**

That the recommendations contained in the exempt report be approved.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.


**Note of dispensation in respect of any declared conflict of interest:**

None.

Meeting started: 7.00 pm  
Meeting ended: 7.07 pm

Chair .....



<p><b>LONDON BOROUGH OF HAMMERSMITH &amp; FULHAM</b></p> <p><b>CABINET</b></p> <p><b>4 MARCH 2019</b></p>	
<p><b>FINAL REPORT OF THE OLDER PEOPLE’S COMMISSION</b></p>	
<p><b>Report of the Cabinet Member for Health and Adult Social Care - Councillor Ben Coleman</b></p>	
<p><b>Open Report</b></p>	
<p><b>Classification – For review and comment</b></p>	
<p><b>Key Decision: No</b></p>	
<p><b>Wards Affected: All</b></p>	
<p><b>Accountable Director: Lisa Redfern</b></p>	
<p><b>Report Author:</b> Ruth Redfern, Communities Lead</p>	<p><b>Contact Details:</b> Email: <a href="mailto:ruth.redfern@lbhf.gov.uk">ruth.redfern@lbhf.gov.uk</a></p>

## 1. EXECUTIVE SUMMARY

- 1.1 The Older People’s Commission (OPC) was formed in November 2017 to examine ways of improving the quality of life for all older residents and making Hammersmith and Fulham (H&F) the best borough in which to grow older.
- 1.2 An interim report focusing on isolation and loneliness was published in March 2018 (see Appendix 2). Since then the commission has concentrated on how to ensure that all older residents benefit from the services they are entitled to, and how to make H&F an even better place to live.
- 1.3 The OPC report represents the range of priorities that older people told commissioners they had for their lives in the borough. This final report of the Commission (attached as Appendix 1) sets out the key findings and recommendations arising from its work over the past year.
- 1.4 The key findings from the Commission’s work in Hammersmith & Fulham are that:
  - **Better Services:** Residents have told us of: unreliable transport, in some cases not fit for purpose; inflexible parking systems; problems with GP appointments; and bad housing maintenance.

- **Better Information:** Residents shared their frustration at knowing that there is a lot going on in H&F but a lack of accurate timely information about it. Similarly, some told us that they are not always aware of the help they can receive and the services they could benefit from.
- **Stronger Communities:** Residents told us that they want to feel that they belong and that communities need to be more inclusive of people from different generations, with different ethnic backgrounds and life experiences. There is a feeling from some community groups that they are seen as 'hard to reach' when they are available, waiting and ready to be an integral part of the life of the borough. This is often down to language barriers.
- **Closer Collaboration:** Residents felt that the Council, its many different departments, the various national and local agencies, and all the charity organisations do not always work together, which leads to a sense of confusion, duplication and a lack of coordination. This can cause older residents to be reluctant to persevere with inquiries or complaints.
- **Deeper Resident Engagement:** Residents told us that they felt that decisions were taken without them being consulted or that some of the existing services were not fit for purpose and had been put in place without thinking about older users. There was a widely held view that some consultations were 'tick-box exercises'. Outcomes were often poorly communicated.

1.5 This report sets out the recommendations of the H&F Older People's Commission.

## 2. RECOMMENDATIONS TO CABINET

2.1 That the Cabinet endorses the recommendations of the Older People's Commission and commends the report to stakeholders and partners.

## 3. RECOMMENDATIONS OF THE COMMISSION

### 3.1 Better Services

#### 3.1.1 The Council:

- Should drive improvements to the training and monitoring of home care staff, and strengthen support for residents with a mental health condition and those who may be at risk of falling into poverty;
- Should establish of a new H&F carers' commission;
- Should review housing maintenance and management contracts, and drive performance improvements;
- Should raise with RingGo the concerns of older residents and others about the new parking meters to explore where improvements can be made;
- Should ask Government to provide adequate funds for the local authority to meet its obligations to provide social care now and into the future;

- Should consider increasing council tax income in line with the maximum allowed by current regulation, and consider adding the social care precept to Council Tax bills in 2019/20.

#### 3.1.2 The Council in partnership:

- Should urge H&F's hospitals and surgeries to reserve some phone appointments for older residents not able to book online;
- With Transport for London (TfL), should re-examine bus routes to improve the service to residential areas which are currently poorly served;
- Should work with all commissioners of community transport to review their services and ensure they are reliably meeting the needs of older residents. This includes hospital transport provided by the health service, TfL's free door-to-door dial-a-ride service and other voluntary transport schemes.

### 3.2 Better Information

#### 3.2.1 The Council:

- Should substantially increase the numbers of volunteer community champions to support older people in every part of the borough.

#### 3.2.2 The Council in partnership:

- With health providers and Healthwatch, should seek to ensure all older people know what services are available and should reduce the complexity of forms that carers/older people need to complete to receive additional financial support. Nobody should be excluded if they don't have access to computers, or they find forms difficult;
- With health providers and charitable organisations, should ensure that 'Every door is the right door', and work together to make sure older people are steered towards the right services for them wherever they first make contact;
- With GP surgeries and sheltered housing, should ask that noticeboards are used more effectively to promote services and activities;
- With its stakeholders should request that, for those who are comfortable using computers, information websites such as People First should be updated and made user-friendly, with easy-to-access advice and information (for example on dealing with a cold home);
- With the third sector, should ensure that older non-English speakers, particularly those living in poverty, are supported, for example by ensuring older people get all the benefits they're entitled to.

### 3.3 Stronger Communities

#### 3.3.1 The Council:

- Should encourage and support older people who wish to remain economically active;
- Should explore better support for a greater wealth of culturally specific activities to recognise the diversity of H&F's older population and, in doing so, bolster local third sector organisations running social activities for older residents. No two people's tastes or pockets are identical.

#### 2.4.2 The Council in partnership:

- With health and social care providers and local surgeries, should not overly medicalise ageing and should instead focus on social prescription of activities to improve the health and well-being of older residents;
- With providers, should ensure that activities are accessible to all older people, and should help organisations keep activities free or affordable. Cost should never be a barrier.

### **3.4 Working Together**

#### 3.4.1 The Council:

- Should identify all groups supporting older residents, and establish a policy of helping them to develop. Those tackling social isolation, loneliness and poverty should be a particular priority. Council staff should be offered volunteering or secondment opportunities with these groups.

#### 3.4.2 The Council in partnership:

- With providers, should work with older residents on developing a consistent, year-round offer of activities across the borough.

### **3.5 Deeper Resident Engagement**

#### 3.5.1 The Council:

- Should appoint a councillor as H&F older people's champion to represent older residents' interests. The champion should work in partnership with an older people's board made up of local residents, agencies and charitable organisations;
- Should involve older residents in any relevant service review or re-design of services, so the service users themselves have a greater say.

#### 3.5.2 The Council in partnership:

- With healthcare planners and other agencies, should produce comprehensive guidelines for all resident consultations, including for the production and use of surveys, focus groups and public engagement events. These should give clear guidance on the need to report outcomes and how to do so.

#### **4. RECOMMENDATIONS OF THE HEALTH, INCLUSION & SOCIAL CARE POLICY AND ACCOUNTABILITY COMMITTEE**

4.1 The report was discussed and endorsed by the Health, Inclusion and Social Care Policy and Accountability Committee, which met on Tuesday 15 January 2019.

4.2 It was agreed:

- The report to be widely circulated, and provided to organisations such as Save Our Hospitals and CCG patient reference groups, as determined by the Commission;
- Iain Cassidy (Commission Member) to facilitate the OPC report to the CCG;
- To ensure that the report feeds into the NHS consultation on digital working;
- To highlight concerns around how older people access primary care appointments, given the number of potential GP closures, practice consolidation or hub closures, with travel to these appointments being a primary concern;
- Officers to explore the feasibility of setting up a sub-group of the Committee to meet with the CCG and members of the Commission; and
- To identify and consider wider engagement opportunities to promote and publicise the findings of the report.

#### **5. REASONS FOR DECISION**

5.1 The recommendations are put forward by the Older People's Commission, not by council officers. However, officers have been involved in the discussions that have taken place around the recommendations now put forward.

#### **6. OPTIONS AND ANALYSIS OF OPTIONS**

6.1 The OPC is the ninth H&F resident-led commission to report to Cabinet on its findings and recommendations, since 2015.

6.2 These commissions demonstrate the Council's commitment to working with residents to get things done. They are an example of how the Council is engaged with residents in the co-production of council policies.

6.3 The OPC has engaged with council officers from across service areas to help inform and shape its recommendations and its meetings have been attended by the Cabinet Member for Health and Adult Social Care and the Deputy Leader. The HISC PAC has discussed and endorsed the OPC's recommendations and has referred these to Cabinet.

## **7. CONSULTATION**

- 7.1 The OPC has been engaged in consultation with other older people, older people's organisations, council staff and councillors throughout the year as it has gathered evidence to inform this final report.

## **8. EQUALITY IMPLICATIONS**

- 8.1 The OPC's report presents recommendations with the aim of improving support and services for older people and giving older people greater involvement in the production of services and policies. The implementation of these recommendations will have positive implications for the equality of older people in the borough.

- 8.2 *Implications verified by Peter Smith, Head of Policy and Strategy, tel. 020 8753 2206.*

## **9. LEGAL IMPLICATIONS**

- 9.1 The report makes recommendations about the Council's approach to agreeing policies and strategies with local older people in relation to the delivery of local support and services to this group. New arrangements will have to take account of any relevant legislation and statutory guidance.

- 9.2 *Implications verified by: Rhian Davies, Assistant Director of Legal and Democratic Services, tel. 020 8753 2229.*

## **10. FINANCIAL IMPLICATIONS**

- 10.1 This report seeks Cabinet's endorsement of the recommendations of the Older People's Commission. As the Council develops its response to the recommendations, any financial implications will need to be evaluated and considered as part of the Council's decision making and financial planning processes.

- 10.2 *Implications verified by: Emily Hill, Assistant Director, Corporate Finance, tel. 020 8753 3145.*

## **11. IMPLICATIONS FOR BUSINESS**

- 11.1 Employability, employment and retraining opportunities for older people are clear barriers and consideration should be given to developing sustainable solutions. The Economic Development Team, especially Adult and Community Learning and Work Matters, should be engaged in this process.

- 11.2 Key employers in the borough (including the Council) should take a leading role in identifying, developing and promoting good practice in making workplaces and careers accessible to older people in a consistent and positive way.

11.3 *Implications completed by: Albená Karameros, Economic Development Team, tel. 020 7938 8583.*

## **12. COMMERCIAL IMPLICATIONS**

12.1. There are no procurement implications resulting from this report. If third party contractors are appointed to support the delivery of the recommendations, they must be procured in accordance with the Public Contracts Regulations (PCR) 2015 and the Contracts Standing Orders (CSOs).

12.2 *Implications verified/completed by Andra Ulianov, Procurement Consultant, tel. 020 8753 2284.*

## **13. IT IMPLICATIONS**

13.1 All information gathered by the OPC was managed in line with the data protection principles of GDPR and the Data Protection Act 2018.

13.2 *Implications verified by: Veronica Barella, Chief Information Officer. tel. 0208 753 2927.*

## **14 RISK MANAGEMENT**

14.1 The Council's Commissions form an important part of Policy and Strategy setting in line with the Council Priority Being a Compassionate Council. In doing so the work of the Commission contributes to good governance and management of our Residents needs and expectations.

14.2 *Implications verified by: Michael Slonowski, Risk Manager, tel 020 8753 2587, mobile 07768 252703.*

## **BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

None

## **LIST OF APPENDICES**

Appendix 1: Report of the Older People's Commission, which includes Appendices including the Focus Group report, the Interim report, March 2018 and the Bibliography and additional resources.

# Appendix 1 - Older People's Commission: Final Report January 2019

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# Chair's Foreword

Over the past year, we in the Older People's Commission have listened to the views and experiences of older people in Hammersmith and Fulham. We believe that this is their report, reflecting their ideas, ambitions and aspirations.

Older people told us that they are powerful, with knowledge born of years of experience – of personal and professional trials, of joy and laughter.

Older people accept that, in common with others in our community, we may need help and support but we are **not** passive recipients of services – we've usually paid towards them all our lives.

And we are **not** only users of services. Older people are carers for families, friends and neighbours in our community.

Older people are **not** a 'growing population' problem – **we are assets**, volunteering our time and skills, sharing what we know with those younger than ourselves and leading others to be the people they didn't believe they could be.

This is not a report just for today's older residents - we all get older. Older age should be something for us all to look forward to. Whatever your age now, you should be able to aspire to a healthy later life, a degree of comfort and the opportunity to keep contributing to your community.

So, what happens now, following the publication of this report? We will ask all organisations for older people, statutory and voluntary, to look at our recommendations and to consider the ways they work and provide services – so that these are developed and provided **with** us, not just **for** or **to** us.

We will ask them to improve communications and consultation and to work together ever more closely to improve outcomes for all older residents.

We do not underestimate the challenges posed by our recommendations, nor those of making improvements against growing needs and tight financial constraints.

We firmly believe that we can achieve our ambition to make Hammersmith & Fulham a model for older residents – a place where empathy with and respect for older people are second nature.

Through good communication, co-operation and a commitment to working together we can achieve results which are greater than the sum of our efforts – and make Hammersmith and Fulham a great place to grow old in.

Getting it right for people who are older now means getting it right for everyone in the future. Whatever your age now, this report is for you.

**Bryan Naylor**  
**Chair of the Older People's Commission**

# Councillor's Message

In H&F, we believe that our democracy and public services need to be reinvigorated together. So since being elected in 2014, we've been changing the council way relates to and works with residents.

We want to do things with local people, not just to them. Our numerous resident-led commissions are at the heart of this. They put local people in the driving seat for improving policy and services.

We also aspire to making Hammersmith & Fulham the best place to grow older. In 2014, we abolished home care charges, the only borough to do so. And together with the local NHS and charities, we still offer a wide range of support for older people despite fierce government funding cuts.

But we know more is needed. Loneliness, poverty and poor health affect many residents' enjoyment of older age. Services are not always planned or delivered in the way older people want. Not every older person is able to enjoy the opportunities our borough offers.

Making things better means listening to older residents themselves. I'm deeply grateful to Brian Naylor and his colleagues on the Older People's Commission for throwing themselves into the task of considering the challenges and recommending the way forward.

**Councillor Ben Coleman**  
**Cabinet Member for Health and Adult Social Care**  
**Hammersmith & Fulham Council**

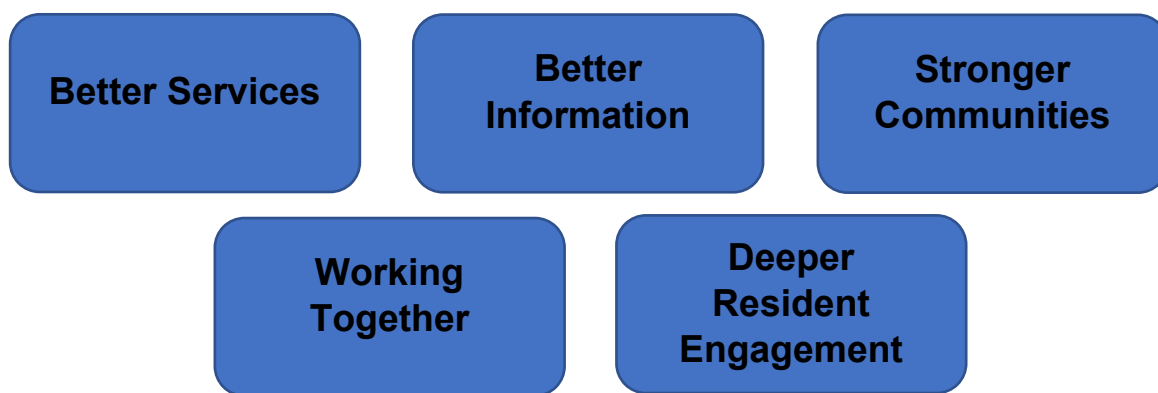
# Executive Summary

The Older People's Commission was formed in November 2017 to examine ways of improving the quality of life for all older residents and making Hammersmith and Fulham (H&F) the best borough in which to grow older.

An interim report focusing on isolation and loneliness was published in March 2018 (see Appendix 2). Since then the Commission has concentrated on how to ensure that all older residents benefit from the services they are entitled to, and how to make H&F an even better place to live.

We are proud of the cultural diversity that enriches H&F's life. We also recognise that meeting the needs of such a diverse and growing older population can be complex.

This report represents the range of priorities that older people told us they had for their lives in the borough. It sets out a series of recommendations focusing on five main themes:



The recommendations are backed by evidence that the Older People's Commission has collected from residents, officers and practitioners across the borough.

## Recommendations

### ***Better Services***

- *The Council should drive improvements to the training and monitoring of home care staff, and strengthen support for residents with a mental health condition and those who may be at risk of falling into poverty.*
- *The Commission endorses the establishment of a new Carers' Commission.*
- *H&F's hospitals and surgeries should reserve some phone appointments for older residents not able to book online.*
- *The Council and TfL should re-examine bus routes to less well-served residential areas.*
- *All commissioners of community transport should review their services to ensure they are reliably meeting the needs of older residents. This includes NHS/CCG/hospital transport and TfL's Dial-a-Ride, along with all others.*
- *The Council should review housing maintenance and management contracts, and drive performance improvements.*
- *The Government should provide adequate funds for the local authority to meet its obligations to provide social care now and into the future.*

- *The Council should consider increasing Council Tax income in line with the maximum allowed by current regulation and consider adding the social care precept to Council Tax bills in 2019/20.*
- *The Council should raise with RingGo the concerns of older residents and others about the new parking meters to explore where improvements can be made.*

### **Better Information**

- *To ensure that ‘Every door is the right door’, the Council, CCG and charitable organisations should work together to make sure older people are pointed towards the right services for them wherever they first make contact.*
- *Nobody should be excluded because they can’t get online or find forms difficult. The Council, CCG and Healthwatch should ensure all older people know what services are available and should reduce the complexity of forms that carers/older people need to complete to receive additional financial support.*
- *Notice boards across GP surgeries and sheltered housing should be used more effectively to promote services and activities.*
- *For those who are comfortable online, information websites such as People First should be updated and made user-friendly, with easy-to-access advice and information (for example on dealing with a cold home),*
- *The Council should substantially increase the numbers of volunteer Community Champions to support older people in every part of the borough.*
- *Older non-English speakers, particularly those living in poverty, must be supported, and the Council should work with the third sector to deliver this, for example by ensuring older people get all the benefits they’re entitled to*

### **Stronger Communities**

- *The Council, the CCG and local surgeries should not overly medicalise ageing and should embed social prescribing of activities to improve the health and wellbeing of older residents.*
- *Older people who wish to remain economically active should be encouraged to do so.*
- *The Council should bolster local third sector organisations running social activities for older residents. No two people’s tastes or pockets are identical. A greater wealth of culturally specific activities would recognise the diversity of H&F’s older population.*
- *Cost should never be a barrier. To ensure that activities are accessible to all older people, the Council should help organisations keep these activities free or affordable.*

### **Working Together**

- *The Council and providers should work with older residents on developing a consistent, year-round offer of activities across the borough*
- *The Council should identify all groups supporting older residents, and establish a policy of helping them to develop. Those tackling social isolation and loneliness and poverty should be a particular priority. Council staff should be offered volunteering or secondment opportunities with these groups.*

### **Deeper Resident Engagement**

- *The Council should appoint an H&F Older People’s Champion from its councillors to represent the interests of older residents. The Champion should work in partnership with an Older People’s Board made up of local residents, agencies and charitable organisation.*

- *The Council should involve older residents in any relevant service review or re-design of services, moving towards a policy of co-production with service users.*
- *The Council, CCG and other agencies should produce comprehensive guidelines for all resident consultations, including for the production and use of surveys, focus groups and public engagement events. These should give clear guidance on the need to report outcomes and how to do so.*

# Introduction

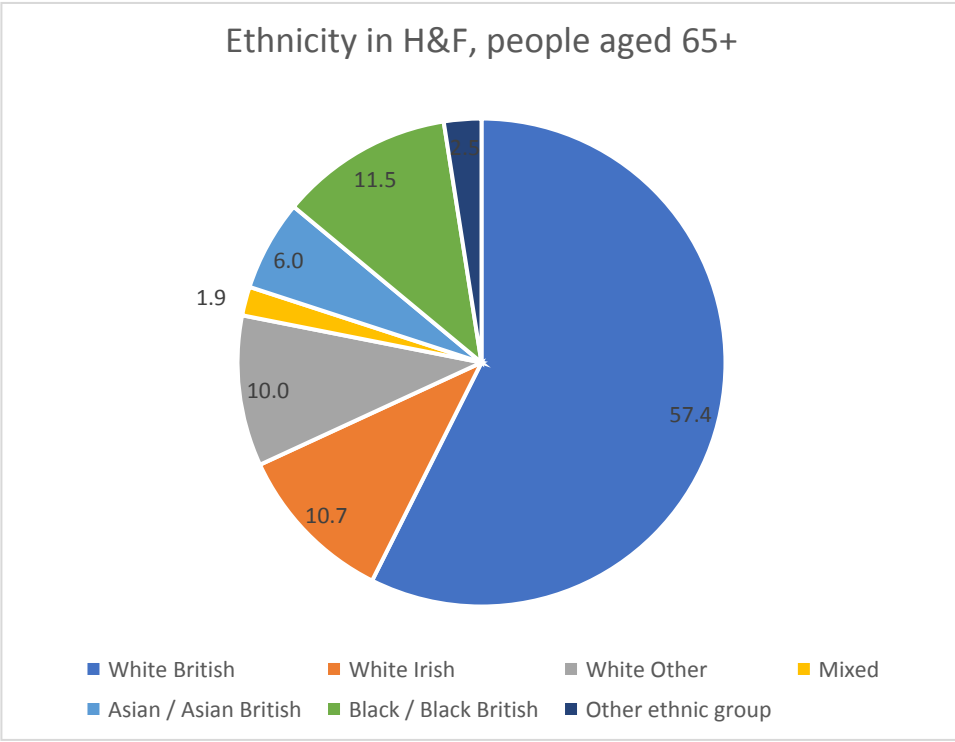
## Our population

There are more than 19,000 residents aged 65 and older in Hammersmith & Fulham (H&F). Although only 10 per cent of H&F's population today, this group is the fastest growing, with projected growth of 37 per cent among those over 65 and 64 per cent in those over 85.

The make-up of our older population is also continually changing. Our older people are a diverse group, with 22 per cent from Black, Asian and Minority Ethnic (BAME) backgrounds, projected to grow to 85 per cent by 2030.

Many of our older people face problems of low income or poverty. More than a third live in the top 30% of most deprived areas nationally, with over a fifth in the top 20%. Just under half (45%) live in council or housing association homes.

A higher proportion of our older people continue working into later age, with 17 per cent remaining economically active after 65 as against 10 per cent nationally.



Yet as people age health can become more of an obstacle to everyday living; Just over 51% of older people in the borough state that their day-to-day activities are limited to some extent by ill health. Dementia diagnosis is higher than the national level and expected to rise by 24% by 2025.

Older residents face a number of issues and challenges:



**Isolation:** 43% of our residents aged over 65 live alone, the fourth highest proportion in England.



**Poor health:** 4,000 (one in five) residents over 65 have poor or very poor health and more than half live with a long-term health problem or disability. Many have multiple health problems.



**Inequality:** 5,000 (one in four) residents over 65 live in poverty, and a third receive pension credit, higher than the London averages. Reflecting known links between deprivation and life expectancy, mortality varies from 300 annual deaths per 100,000 persons in Palace Riverside and Munster to 800 in Shepherds Bush Green and Askew wards.

### ***Our mission***

The Older People's Commission first met in November 2017 and identified priorities to work on, including social isolation and loneliness, poverty and deprivation, and access to services.

Commissioners have engaged directly with older residents and created an environment for everyone to share ideas, problems and solutions.

We want our work to help improve the quality of life for all older residents in the borough, no matter their race, gender, sexual orientation, religion, ability, country of origin or economic and social class.

In March 2018 we published an interim report that focused on ways to reduce isolation and loneliness in the borough, looking at issues that prevent older residents from feeling connected and being a more valued and integrated part of the community. We made a series of recommendations to the Council and other organisations in the borough to improve, among other things, transport, care, information provision and; a sense of belonging and community. Our recommendations were presented to the Council, the H&F NHS Clinical Commissioning Group and third sector organisations operating in the borough.

One year on, we are ready to share our further findings and recommendations to ensure that H&F becomes the best place in which to grow older.

# Who We Are

## Local older residents and charities working with older residents

The Older People's Commission is one of a series of resident-led commissions established by H&F Council. The aim of these commissions is to put local residents at the heart of decision-making. The Older People's Commission is independent from the Council and we have been setting the Commission's agenda and priorities without interference.

Our chair is **Bryan Naylor**, who has been living in the borough for over 30 years. Bryan was the chairman of the Older People's Consultative Forum for more than 17 years before his election as President of the Forum in 2017. Bryan is also a Trustee of H&F Age UK and a volunteer speaker for the Macular Society and Blind Veterans.

Alongside Bryan, we are eight commissioners working together. Most of us are local older residents.

- **Rosalind Duhs** has lived in H&F for 12 years and was previously a Commissioner on the H&F Poverty and Worklessness Commission. She is a UCL academic and educationalist and an advocate of lifelong learning.
- **Lyn Hally** has volunteered with Fulham Good Neighbours for over twelve years since her return from France, where she practised as an architect. Her last job in London was as principal architect at Shepherd's Bush Housing Association. Prior to working in social housing, Lyn was a hospital planner.
- **Marilyn Mackie** is a retired Residential Care Manager and works as a volunteer in the borough. She chairs many forums and participates in workshops and panels. She is the current Chair of the H&F Older Peoples' Consultative Forum.
- **Keith Mallinson** has worked for HFMind for the past five years as a Primary Care Mental Health Advisor. He has been a trustee of Healthwatch Central West London since July 2015 and sits on H&F's Health and Wellbeing Board. Keith has an extensive background in teaching and was an H&F councillor for eight years.
- **Anne McAlpine-Leny** is the founder and director of Soup4Lunch Ltd, a local community-based social enterprise fighting isolation by bringing kitchen gardens and community cafes to sheltered housing across the borough. Anne is an advocate for mental health and positive, active ageing, with more than 40 years of national and international experience.

A few of us represent charities that offer services to local older residents:

- **Jazz Browne** is the Chief Executive of Nubian Life Resource Centre Ltd, a culturally specific day opportunities service for older people with complex health and social care needs. Jazz grew up on the White City Estate and has worked in the borough for over 20 years.
- **Iain Cassidy** is the Chief Executive of Open Age, a charity that promotes a positive approach to later life. Iain has over 15 years' experience of working for charitable organisations, including Teach First, Asthma UK and Age UK, and is motivated by the deep held belief that everyone should be afforded the same opportunities in life regardless of their background or personal circumstances.
- **Liban Muse** is the Chief Executive of the Lido Foundation, a charity founded in 2014 that empowers the Somali community in the borough. It aims to overcome disadvantage through



education, training, and guidance services. Liban came to the UK from Kenya as a refugee in 1999.

Our Commission is sponsored by **Councillor Ben Coleman**, who is the Cabinet Member for Health and Adult Social Care and the Chair of H&F's Health and Wellbeing Board, and by **Councillor Sue Fennimore**, who is Deputy Leader of the Council and champions social inclusion in H&F.

# Our Work

## Listening to residents, charities, and practitioners

The Commission's first meeting took place in early November 2017. Since then, we have met every two to three weeks, using a variety of ways to listen to the voices of as many older people as possible from every corner of the borough and every background.

- **Engagement meetings:** We ran a series of meetings across the borough in places where older residents meet for different social activities. We discussed with older residents their priorities for action and what needed to be done to make the borough the best for older people to live in. For example, we talked to older residents at Askew Road Library, the H&F Older People's Consultative Forum, the Grove Neighbourhood Centre, Fulham Good Neighbours, the Lido Foundation, the Macular Society, Midaye Somali Network, Nubian Life, QPR Football Club, the St Andrew's Project and a number of Open Age activities.
- **Interviews and hearings:** We interviewed and heard from councillors, national and regional experts, officers and practitioners about different aspects of the lives of older people in the borough. We met representatives from Age UK, Agewell, Brightlife Cheshire, Brook Green Medical Centre, Camden Council, H&F Clinical Commissioning Group (CCG), DanceWest, H&F Adult Social Care, H&F Arts team, H&F Disabled People's Commission, H&F Getting Involved, H&F Healthier Homes, HFMind, the Integrated Care Partnership, the Iranian Association, the Iraqi Association, Lightshare intergenerational living and Sheltered Housing.
- **Surveys:** Our first interim report was based on a survey concentrating on isolation and loneliness in H&F. To prepare this new report, we launched a new survey in the spring to find out what older people think of the services that they are offered in the borough. We asked about the services they use, which they liked and disliked, how easy these were and if they were enough. Many answered the survey online but most completed paper questionnaires that our partners sent to residents all across the borough.
- **Mini-group discussions:** We also commissioned an external research company, Green Light International, to talk to older residents in small groups and individual interviews to understand more deeply what it was like to live in H&F. We used an outside organisation to encourage older residents to talk freely and say anything they wanted. The external researcher looked at services used, social activities attended, and what else older people wanted to improve their lives.

All these meetings, events, discussions and interviews gave us the opportunity to hear at first hand about your concerns and priorities. They also provided us with great insights into your lives and what makes you go out, what makes you smile and what makes you proud about living in H&F.

The next sections of this report are based on these various pieces of research and all the evidence you gave.

We do really appreciate everyone's help and support all along our journey. We acknowledge that we have not been able to meet every single older resident living in Hammersmith & Fulham. Thanks to our intensive work of reaching out to many different groups and individuals across the borough, however, we are confident that our findings and recommendations are representative of what it

means to grow older in H&F today and that we speak confidently on behalf of all older residents in H&F.

## **H&F is a great place to grow older**

Many older residents told us how happy they were to live in H&F and how they would not like to change it for another place. They said the benefits of living here include:

- A great location, close enough to central London without being central London and easy to get away from London when it becomes too much
- Excellent transport connections, with many tube, train and bus lines
- Pleasant surroundings, with particular pride in parks and the river
- Various amenities, with a good provision of libraries and shops catering for a variety of budgets and tastes
- Great culture, with theatres, cinemas and cultural activities all year round
- Huge diversity, where mixed communities make life more interesting and are a source of pride.

As some older residents told us:

- *“I’ve lived all over London and I can honestly say it’s a great place to live already. Some of the places I used to live in other parts of London were horrible”*
- *“I know we like a moan but actually it’s not a bad place to live. There are lots of parks, you can get anywhere pretty easily and there’s the river.”*
- *“An amazingly wide spectrum of people from all walks of life and a diverse selection of ethnicities. Wide range of shops, sports facilities, excellent schools, fantastic transport.”*

## **But how to make H&F even better?**

When we asked in our survey whether anyone had been particularly dissatisfied with any of the services on offer in H&F, more than 50 per cent of people could not think of anything they were unhappy with, or expressly stated that they have not been dissatisfied. As one respondent put it, *“people do their best”*. When asked whether there is any help, support, or service that respondents felt they needed that is not currently available to them in the borough, more than 40 per cent said *“no”*.

We know that there is a lot to do to make sure that all older residents in the borough can live fulfilling, connected and enjoyable lives. We are all aware that local authorities face spending cuts but most people seemed confident that services could be improved anyway.

In the following section, you’ll find our research findings and recommendations. We have linked the experiences of the people we have talked to and heard from with what we believe could make H&F an even better place in which to grow older.

People told us many different things about a variety of services and organisations and we have grouped their responses and our recommendations into five main themes:

1. **Better Services:** People told us of unreliable, sometimes unfit transport; inflexible parking systems; problems with GP appointments’ and bad housing maintenance.
2. **Better Information:** People shared their frustration at knowing that there is a lot going on in H&F but not having accurate, timely information about it. Similarly, they told us that they are not always aware of the help they can receive and the services they could benefit from.

3. **Stronger Communities:** People told us that they want to feel that they belong and that communities need to be more inclusive of those from different generations and ethnic backgrounds and with different life experiences. There is a feeling from many community groups that they are seen as “hard to reach” when they are available, waiting and ready to be an integral part of the life of the borough. This is often down to language barriers.
4. **Closer Collaboration:** People felt that the Council, its many different departments, the various national and local agencies, and all the charity organisations do not always work together. This lack of coordination leads to a sense of confusion and duplication which can cause older residents to be reluctant to persevere with enquires or complaints.
5. **Deeper Resident Engagement:** People told us that they felt that decisions were taken without them being consulted or that some of the existing services were not fit for purpose and had been put in place without thinking about older users. There was a widely held view that some “consultations” are just tick box exercises and outcomes are poorly communicated.

# Findings and Recommendations

## 1. Better Services

Over the past year, we tried to meet with and listen to as many older residents as possible to hear what they think of the services that are being offered in H&F. The three main services mentioned were health and social care, transport and parking, and housing.

### Health and Social Care

Older residents we met all felt that the NHS has deteriorated, especially in the last few years, with noticeably increased waiting times, less availability of health care professionals, and a poorer state of hospitals and GP surgeries.

While many agreed that the issue was national and not specific to H&F, they still mentioned local issues, such as concern about the running down of Charing Cross Hospital:

*“The doctors and nursing staff at both my GP and Charing Cross Hospital are wonderful, though the depletion in resources at Charing Cross is dreadful. When I was in with appendicitis there was no drip stand and I had to tell the nurse how to improvise one using the coat hanger from my coat!”*

Similarly, while doctors and staff at surgeries across the borough were praised, many people complained about the difficulties in arranging appointments with GPs, particularly since an online appointment system has come into use. Those who are less digitally savvy feel let down. One resident aged over 85 said, *“Now that appointments are online, when I telephone there are no appointments left for my doctor”*. Another one told us, *“Just trying to get through on the phone to my local GP is a nightmare”*.

### **Recommendation:**

***H&F’s hospitals and surgeries should reserve some phone appointments for older residents not able to book online.***

Older residents also told us of their satisfaction with free home care and the quality of day care centres across the borough:

*“My husband uses a day care centre. It’s just a great service. He goes two days a week, enjoying it very much and for me, as his carer, it gives me a great break and I know that he is happy and well looked after! I also use the support group and I find that very helpful.”*

However, fewer hours of help, poorly trained staff and high turnover of staff are all causing problems with older residents using home care.

Similarly, much of the work of caring for older residents falls upon family and friends rather than professional services. Caring can be a difficult and isolating task as our previous report noted. We believe that carers, professional and unpaid, need better and stronger support and we particularly welcome the Council’s intention to set up a Carers’ Commission to look at the needs of carers in H&F.

At the same time, many survey respondents told us of a gap in mental health counselling and support. One resident told us that she felt *“too much is left to mental health charities”* and that she is lucky to have access to counselling in a neighbouring borough. Another resident from White City who is caring for her son said, *“I really believe this borough needs a mental health advocacy hub”*

*serving all ages including older people caring more and more for families, their children, other neighbours [...]. We deserve support.”*

**Recommendation**

***Adult Social Care should drive improvements to the training and monitoring of home care staff, and strengthen the offer to residents with a mental health condition and those who may be at risk of falling into poverty, so they are able to direct them to support mechanisms.***

**Recommendation**

***The Commission endorses the establishment of a new Carers’ Commission.***

The Commission notes that the administration adhered to a policy of no increase to Council Tax during its first term in office. We also note that the administration decided not to use the government-approved precept to raise funds to provide additional resource for social care.

The demand on social care services will continue to increase so additional resources are required. The Commission believes that the anticipated continuing demand upon social services, not least to support the growing needs of the older population and the administration’s own expressed wish to address the issues of inequality across the borough, make it imperative that these decisions be reconsidered in the administration’s second term of office. The alternative of facing cuts to services and quality is, in our view, unacceptable.

**Recommendation**

***The Council should consider increasing the Council Tax income in line with the maximum allowed by current regulation, and should consider adding the social care precept to Council Tax bills in 2019/20.***

**Recommendation**

***The Government should provide adequate funds to the local authority to enable it to meet its obligations to provide social care, now and into the future.***

**Transport and Parking**

Older residents acknowledge that good public transport is a benefit of living in H&F. On the whole, the borough is very well-connected to bus and tube networks for journeys around London and has an easy access to the road network and Heathrow airport.

For those with minimal or no mobility issues, TfL’s Freedom Pass enables them to get out of the house and remain active. One survey respondent aged over 65 said that her Freedom Pass was one of her “*most valuable possessions*” and she used it “*practically every day*”.

However, not all respondents agreed that the current transport offer was satisfactory and one even felt that transport in H&F was “*diabolical*”. Overall what people told us suggests that the current transport arrangements for older people are satisfactory in concept but need attention to ensure that they work as intended.

Although TfL is viewed as having overall responsibility for transport, a few feel H&F could do more to agitate for bus routes along less busy main roads as they claim that certain areas of the borough are effectively bus-free zones. A Hail & Ride system could be launched for use by those with reduced mobility who cannot walk too far to a main road. Better training for bus drivers should be provided to be aware of the barriers older residents face getting on and off the bus.

### **Recommendation**

***The Council and TfL should re-examine bus routes to less well-served residential areas, such as the No.424.***

Many people also complained about the current offering of taxi services and other forms of local transport, which are seen as not being up to scratch and offering poor customer service:

- Hospital transport was criticised for its late, slow, and unreliable service. Many users reported that they had become so frustrated that they used their Taxicard to attend hospital appointments. Many were unaware that this was not a proper use of the Taxicard service, which is separately funded.
- Many regrets were expressed about the loss of the H&F Community Transport service and its replacement with a service in Kensington and Chelsea, the main concern being availability and reliability.
- The Taxicard scheme was valued by many but many others felt it was too expensive. The Dial-a-Ride service was praised by some regular users but not valued by many others, who felt that it did not often meet their specific transport wishes or timetables. One resident told us, *“Dial-a-Ride is a good service when it works but I’ve been let down so many times as it’s taken them ages to arrive if they DO!”*. Another older resident complained that taxi drivers only allow one carer when two might be needed.

Many of you told us of missed GP and hospital appointments. Many people also told us that such an unreliable service had an impact on their social life as they felt house bound and unable to attend activities because of such unreliable services. On the whole, older service users felt let down and disempowered.

### **Recommendation**

***All commissioners of community transport should review their services to ensure they reliably meet the needs of older residents. This includes the NHS/CCG/Hospital Trust’s hospital transport and TfL’s Dial-a-Ride, along with all others.***

Similarly, many respondents to our survey said the new parking service was a *“disaster”* or a *“nightmare”*. The new RingGo app is deemed *“difficult to install”* and *“since there is no signage on the street to indicate where the meters are, it is impossible to find a meter to use when RingGo is not working.”* The new service seems to have been designed only with the most digitally-savvy in mind and does not seem to take into account the needs of users that do not have/use a smart phone.

### **Recommendation.**

***The Council should raise the concerns of older residents and others about the new parking meters with RingGo, to explore where improvements can be made.***

### **Housing**

When it comes to housing, the main issue mentioned by participants in our survey and discussions is the high cost of housing in this borough. This either affects older residents directly or means that family members are unable to buy or rent somewhere nearby. This can create isolation.

Many of those living in sheltered accommodation seem to have better day-to-day experiences than those in non-sheltered council housing, even though some survey respondents praised the work of those who manage their estates:

- Small repairs are carried out quickly as someone is usually on-site
- There is a strong sense of community and neighbours look out for one another
- Many social events and activities are taking place on site
- Residents are connected directly to organisations like Open Age or Nubian Life who visit and advertise the activities they organise.

Still, those in sheltered accommodation have issues with wardens leaving and not being replaced. Many are also unhappy with both Mitie and Pinnacle, the organisations which provide housing maintenance and, in the south of the borough, management services.

The Commission welcomes the Council's Older People's Housing Strategy that was published earlier this year and looks at ways to provide comprehensive housing services through partnerships between housing, adult social care and the third sector to increase and improve options for older citizens.<sup>i</sup>

### ***Recommendation***

***The Council should review housing maintenance and management contracts, and drive performance improvements.***

## **2. Better information**

A major issue that came to the fore when talking to older residents was a general lack of information. Some residents are very well aware of everything H&F has to offer but we were sometimes surprised to see how many older residents are left without any accurate and tailored information on the services they are entitled to, particularly older residents with a migrant background.

The research we carried out indicates that there are three major obstacles to engagement with older residents:

- A widespread lack of knowledge of the services and assistance available to older residents
- An equally limiting ignorance of how to access services
- A shared belief that council services are bureaucratic and of poor quality.

People told us about the numerous social activities they attend, such as trips and excursions organised by Agewell Rambles or dancing sessions organised by DanceWest. However, many felt better and more coordinated information about these activities should be provided.

Our research shows that most people find out about groups and classes in a passive and haphazard way: through a better-connected friend or through healthcare professionals, sometimes after an accident or a fall. Very few people receive leaflets or information through their doors and few use the internet to discover new activities.

A webpage currently exists, *People First*, which contains links to and information on many such resources and activities but it needs updating and to be made more user-friendly. A new updated People First would be useful to charitable organisations, council officers and healthcare providers as well as residents who might be isolated and unaware of the many support systems in H&F.

However, not all older residents can access online resources. Online is not a way in for most residents aged over 75, who rely more on word of mouth and print. A known person – a familiar face – should be available to older residents to get in touch with when support or information are needed. Community Champions could be asked to perform as “personal referral guides”. Notice



boards across GP surgeries, council and sheltered housing should also be used more intensively to post information on the different services and activities available.

**Recommendation**

***Nobody should be excluded because they can't get online. The Council, CCG and Healthwatch should ensure all older people know what services are available and should reduce the complexity of forms that carers/older people need to complete to receive additional financial support.***

**Recommendation**

***Information websites, such as People First, must be updated and user-friendly. They should make advice and information easy to access, for example dealing with a cold home.***

**Recommendation**

***Noticeboards across GP surgeries, council and sheltered housing should be used more intensively to promote services and activities.***

**Recommendation**

***The Council should substantially increase the numbers of volunteer Community Champions in every part of the borough.***

**Recommendation**

***"Every door is the right door": The Council, CCG and charitable organisations must work together to make sure older people are pointed towards the right services for them, wherever they first make contact.***

Better information should also be provided to Black, Asian and minority ethnic (BAME) groups. Many older residents told us that language was a barrier. One older female resident from Eastern Europe said, *"It was difficult for me to deal with paperwork in the Council housing department. It is difficult for me to access local services that do not provide interpreters as I do not speak English very well."*

Charitable organisations like the Eastern European Centre, the Lido Foundation, Midaye and Nubian Life provide advice and support to older residents, and more needs to be done to ensure that BAME groups can find a safe place to meet, exchange and receive the information they need on the services they may benefit from.

**Recommendation**

***Older non-English speakers, particularly those in poverty, must be supported, and the Council should invest in the capacity of the third sector to deliver this, for example encouraging and facilitating older people to maximise their benefit take up.***

### 3. Stronger Communities

As older residents we met pointed out, H&F truly benefits from its thriving and diverse communities. The borough's diversity is a source of pride to many older people. Older residents can equally be an asset to their community and many want to be more involved and integrated.

There are many local initiatives that help older residents feel connected in their everyday lives, from lunch clubs to street fests and arts activities. One way to use such assets and initiatives is "social prescribing".

As defined by NHS England, social prescribing is a means of enabling GPs and other frontline healthcare professionals to refer people to services in their community instead of offering only medicalised solutions. Often the first point of referral is a link worker or "community connector" who can talk to each person about the things that matter to them. Together they can co-produce a social prescription that will help to improve their health and wellbeing.<sup>ii</sup>

Older residents told us they feel transformed by attending an activity or group for a variety of reasons:

- They feel more connected and part of the community, making the most of the services available to them and not isolated, and more open to meeting new people and making new friends (should they wish)
- They feel an increased sense of well-being, both physical and emotional, and feel better about themselves
- They may feel more flexible (for example they can walk to the shops without losing breath) and their mood lifts
- They can feel more confident – the activity can help re-build their self-esteem and give them a boost;
- They get a sense of achievement, for example driven by a pride in taking part and finishing a class, or participating in a choir/music/theatrical performance or winning a prize.

One older resident said that attending an Open Age Steady and Stable session helped rebuild her confidence after she had her fourth hip replacement. Another participant in the Agewell Rambles programme told us:

*"Agewell Rambles is under threat at present although it is a life-changing thing for the walkers. It is good for our health, it takes us into the country for fresh air. It is sociable and combats feelings of isolation and loneliness. It gives respite to those of the group who are carers for someone in their family (at present one third of the group are carers). I have seen shy, unfit people who have joined and within a term they are stronger, healthier and happier as they have made friends."*

Given that activities make a real difference in older residents' lives from the physical to more-higher level self-actualisation, H&F's goal should be to get as many older residents taking part in group activities as possible to enhance their quality of life.

#### **Recommendation**

***We need a social, rather than medical approach to ageing. Social prescribing of activities should be embedded to improve the health and wellbeing of older residents.***

Some participants, however, had to stop attending some activities due to increased fees. For many, there is also a worry in advance that they won't be able to afford an activity. Even though participants

almost always commented on how pleased they were when they discovered that a class was available only for a couple of pounds, this can still feel expensive for some residents in the borough.

Some people would also like to see activities taking place all year round. Many feel they lose form, confidence and consistency if they suddenly stop doing something for two months. They feel daunted by the effort of trying to find a similar class elsewhere and nervous at the idea of meeting a new group.

As one older resident said, *“I wish [a particular organisation] did classes over the summer. Everything just stops round about now [June] and won’t start up again until September. You might try and meet up with friends but it’s not as easy.”*

At the same time, some people feel that activities are not tailored to their needs and they lack a place where they can meet and socialise without being on guard. This is true, for example, for one older resident who *“has yet to find any meetings/clubs for gay people”*.

Similarly, some older residents who do not use English as their first language might not be taking classes which are in English as they fear they might not understand the instructions. For some groups, a safe place to meet and socialise should be offered.

#### **Recommendation**

***The Council should bolster local third sector organisations running social activities for older residents. No two people’s tastes or pockets are identical, and a greater wealth of culturally specific activities would recognise the diversity of H&F’s older population.***

#### **Recommendation**

***Cost should never be a barrier. To ensure that activities are accessible to all older people, the Council should help organisations keep these activities free or affordable, and ensure they take place all year round.***

#### **Recommendation**

***Older people who wish to remain economically active should be encouraged to do so.***

## **4. Closer Collaboration**

As these first three sections have shown, there is a lot of good things going on in H&F but there is still a lot to improve. Many older residents we met and talked to praised staff working in various Council departments and locations. Staff from the Council’s parking and housing teams, libraries, charitable organisations and surgeries and hospitals across the borough were particularly praised.

Still, many felt that the Council’s different departments, and the various national and local agencies and charitable organisations do not always work together and stay in their separate silos. This a lack of coordination leads to a sense of confusion and duplication.

For example, more joined-up thinking is needed regarding the provision of social activities for older people. Several organisations have the same type of classes and may be seen as competing for funding for their activities and for attracting older residents. Many providers stop their activities at the same time of year and older residents cannot find anything they can attend for long periods of

time. With a coordinated programme of activities making the best of all the resources available in the borough, older residents would be able to enjoy the classes they need and like all year round.

**Recommendation**

***The Council and providers should work together to coordinate a consistent, year-round offer of activities across the borough to older residents, regardless of their ability to pay.***

Joined-up thinking is already at the heart of the Integrated Care Partnership, which is made up of health and care providers and commissioners, working since 2016 to integrate the services they offer.

Similarly, Sobus, the community development agency for H&F, has launched the POPS initiative (Providers of Older People's Services) to get the voluntary sector in the borough working in collaboration on older people's issues. POPS meetings give a platform for providers to develop a shared understanding of older people's issues and work together to increase capacity and effectiveness.

Our research has shown more than thirty different groups providing services to older people. Some of those we met and engaged with, for example in the north of the borough, told us of their feeling of being let down and of a lack of interest and engagement from the Council. As these offer valuable support to older residents across the borough and are often older people's only way of accessing information and advice, the Council should map out these groups and engage with them. Knowledge of these groups and of the needs of the people they work with could be increased by a scheme in which Council staff could volunteer in such organisations. Secondments could also be organised.

**Recommendation**

***The Council should identify all groups supporting older residents, and establish a policy of helping them to develop. Groups tackling social isolation and loneliness and poverty are a particular priority. Council staff should be offered volunteering or secondment opportunities with those groups.***

## **5. Deeper Resident Engagement**

Collaboration is needed within the Council and between the Council and the different agencies and organisations operating in the borough. However, collaboration is also needed between those organisations and older residents.

While some of the services currently on offer seem to work well, many still need to be improved to make sure that they are fit for purpose and take into account the needs of older residents. In particular, many people told us that they feel that decisions are taken without them being consulted, that consultations are often a tick-box exercise and that the Council does not really want to listen to older residents. Equally when proper consultation does take place, there is a widespread feeling among older residents that the process makes little discernible difference to outcomes for them or that they are not given any feedback explaining what difference their involvement made.

**Recommendation**

***The Council, CCG and other agencies should produce comprehensive guidelines for all consultations, including the production and use of surveys, focus groups and***

***public engagement events. These should give clear guidance on the need to report, and means of reporting outcomes.***

However, while consultation is a first step in the right direction, we believe that a full strategy of residents' involvement based on co-production would be better to ensure that services on offer to older residents in the borough are fit for purpose.

This same conclusion was drawn by the H&F Disabled Peoples' Commission, which put forward in its final report published in 2018 a strong message of "*Nothing about disabled people without disabled people*", seen as the only way to break down the barriers disabled residents encounter in their everyday lives.<sup>iii</sup> Similarly, we believe that older residents and decision-makers need to be working together in an active way to plan, design and review policy and services that affect older people's lives, to get rid of the barriers they face.

### ***Recommendation***

***The Council should involve older residents in any relevant service review or re-design of services in its move towards a policy of co-production with service users.***

To ensure a continuous link between the Council and the community and to ensure that older residents can always find a quick and efficient way to communicate with the Council, the Council should appoint an Older People's Champion from its councillors.

Having such a position would send a strong message to older residents that their needs and concerns are being addressed. An Older People's Champion offers a good way for H&F to convey that it takes its older residents seriously, recognising that they are a distinct group with specific needs.

Other councils across the country and the capital have such Champions. We met with Cllr Alison Kelly, Camden Council's Older People's Champion, who told us about her role and how she works with local residents. The H&F Older People's Champion would represent the interests of older residents in the borough and would focus on the more strategic areas affecting them.

The Older People's Champion should be working together with an Older People's Board made up of older residents and third sector organisations working with older residents that would meet quarterly to discuss local issues affecting older residents.

Such a board should be diverse and include the voices of those who are not usually heard. It should be set up through a transparent process of recruitment open to any older resident, agency and charitable organisation operating in the borough. As one resident told us, this board "*would need to be representative, reflecting the diversity of the older people who live here. A lot of the time it's the same people who go on these things who harp on about just one issue that affects them rather than thinking about the whole borough.*"

The board should have more than a simple consultative role and should have the power to influence decision-making and put issues of concern and the priorities of older residents on the Council's agenda. As a first task, the board could monitor the implementation of the recommendations in this report and the interim report we published earlier this year (see Appendix 1).

### ***Recommendation***

***The Council should appoint an Older People's Champion from its councillors to represent the interests of older residents. The H&F Older People's Champion should work in partnership with an Older People's Board made up of local residents, agencies***

***and charitable organisation, and work among other things to tackle poverty in later age.***

## Next Steps

The H&F Older People's Commission has worked for over a year and we have tried to cover in this report everything older residents, officers and practitioners have shared with us, including their ideas and their solutions, to improve the lives of all older residents in all areas of H&F.

However, this is only the first step of an exciting and challenging journey of working together with the Council and other service providers in the borough. By improving services, information, collaboration and resident involvement, the Council can really make a difference to the community and make H&F the best borough in which to grow older.

We will now ask the Council to take stock and see how our recommendations can be acted upon. We will remain at the Council's disposal to discuss these findings and recommendations to find the best practical ways of working together.

## Thank You

We would like to say a big thank you to all the residents and organisations, including those below, who have engaged with us and shared their views and experiences.

We would also like to thank all the officers and practitioners who have supported us and answered our questions. Finally, we would like to thank Cllr Stephen Cowan, Leader of H&F Council, and his colleagues for giving us the opportunity to work together to improve the lives of older residents in H&F.

### Organisations consulted

Camden Council (Cllr Alison Kelly)  
Munden Street Sheltered Housing AGM  
Askew Road Library  
St Andrews Project  
H&F Older People's Consultative Forum  
H&F Housing Representatives Forum  
HFMind  
Fulham Good Neighbours  
Lido Foundation  
Grove Neighbourhood Centre  
Healthier Homes  
Open Age  
Age UK  
Macular Society  
Iraqi Association  
Midaye Centre  
Nubian Life  
Eritrean Group  
QPR Extra Time

**Appendix 1:** [Focus Group results, Greig Burnside- Green Light Research](#)

**Appendix 2:** [H&F Older People’s Commission Interim Report, March 2018](#)

**Appendix 3: Bibliography and additional resources**

## Bibliography

### *Strategies, plans and other actions aimed at older people in other London boroughs*

Barnet	<ul style="list-style-type: none"> <li>- <a href="#">Homeshare</a></li> <li>- Independence, Choice and Control: Services for older people. An integrated Commissioning strategy for Barnet 2008-2017</li> </ul>
Brent	<ul style="list-style-type: none"> <li>- <a href="#">Social Isolation in Brent Initiative (SIBI) Project</a></li> </ul>
Camden	<ul style="list-style-type: none"> <li>- Fact Sheet</li> <li>- A borough of opportunity for people in their 50s and beyond plan (within the general Camden plan)</li> <li>- <a href="#">Ageing better in Camden – Loneliness and Isolation (with Age UK – Older People’s Advisory Group and Community Connectors)</a></li> </ul>
City of London	<ul style="list-style-type: none"> <li>- <a href="#">Dignity Code</a></li> <li>- <a href="#">Reach Out Network</a></li> </ul>
Croydon	<ul style="list-style-type: none"> <li>- <a href="#">Croydon Older People’s Network (OPeN)</a></li> <li>- Outcome based commissioning (2015) (with CCG)</li> <li>- <a href="#">Partnership for Older People POP</a> (Advice Service)</li> </ul>
Enfield	<ul style="list-style-type: none"> <li>- Older People’s Profile</li> </ul>
Hackney	<ul style="list-style-type: none"> <li>- <a href="#">Considering the wider social and economic needs of older people</a></li> </ul>
Haringey	<ul style="list-style-type: none"> <li>- <a href="#">Haringey Over 50s Forum</a></li> </ul>
Harrow	<ul style="list-style-type: none"> <li>- <a href="#">Harrow Senior Residents' Assembly</a> (HSRA), organises <a href="#">Information Morning for Older People</a>.</li> </ul>



Havering	- <a href="#">Loneliness for Older People (Havering Care Point)</a>
Hillingdon	- <a href="#">Assembly for Older People</a> - Joint Strategic Needs Assessment (JSNA): Older People in Hillingdon: Demographics - <a href="#">Older People's Team</a>
Hounslow	- <a href="#">Loneliness and social isolation in the London Borough of Hounslow</a>
Islington	- <a href="#">The Islington Fairness Commission</a> - <a href="#">Managing the care of older people with frailty (with Camden)</a> - <a href="#">Older People Factsheet 2014</a>
Kingston	- <a href="#">Handyman service</a>
Lambeth	- <a href="#">Positive ageing - an older people's strategy for Lambeth 2009-2014</a>
Lewisham	- <a href="#">Arts for Older People</a> - <a href="#">Positive Ageing Council</a>
Merton	- <a href="#">Strategy for People over 50 (2007)</a>
Newham	- <a href="#">Ping Pong</a>
Richmond	- <a href="#">Older People's Mental Health Strategy Group (OPMHSG)</a> - Champion for older residents (Cllr Brian Marcel)
Southwark	- <a href="#">Take part in the arts</a>
Tower Hamlets	- <a href="#">Tower Hamlets Joint Strategic Needs Assessment 2016</a> - <a href="#">Loneliness and Isolation in Older People: Factsheet</a>

Waltham Forest	- Older People's Charter
Wandsworth	- <a href="#">Older People's Strategy (2015-2020)</a>
Westminster	- <a href="#">Isolation and loneliness, with People First and Age UK</a> - <a href="#">Silver Sunday</a>

## Additional resources

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<sup>ii</sup> <https://www.england.nhs.uk/personalised-health-and-care/social-prescribing/>

<sup>iii</sup> <https://www.lbhf.gov.uk/councillors-and-democracy/resident-led-commissions/disabled-people-s-commission>

# Agenda Item 5

<p><b>London Borough of Hammersmith &amp; Fulham</b></p> <p><b>CABINET</b></p> <p><b>4 MARCH 2019</b></p>	
<p><b>APPROVAL TO DRAW DOWN SECTION 106 RECEIPTS TO FUND THE ACTIVITIES OF THE WORK MATTERS (EMPLOYMENT &amp; SKILLS) AND BUSINESS INVESTMENT TEAMS 2018-2020</b></p>	
<p><b>Report of the Cabinet Member for the Economy and the Arts – Councillor Andrew Jones</b></p>	
<p><b>Open Report</b></p> <p><b>Classification – For Decision</b></p> <p><b>Key Decision: YES</b></p>	
<p><b>Wards Affected:</b> All wards</p>	
<p><b>Accountable Director:</b> Jo Rowlands, Strategic Director of Growth and Place</p>	
<p><b>Report Author:</b> Joanne Woodward, Chief Planning and Economic Development Officer</p>	<p><b>Contact Details:</b> E-mail: <a href="mailto:Joanne.woodward@lbhf.gov.uk">Joanne.woodward@lbhf.gov.uk</a> Tel: 020 8753 7282</p>

## 1. EXECUTIVE SUMMARY

- 1.1 This report seeks approval for the drawdown of s106 receipts to fund the Work Matters (Employment and Skills) and Business Investment services for a period of 2 years. The services play a key role in the delivery of the Council's Industrial Strategy, helping businesses thrive, encouraging enterprise and supporting residents into high quality training and employment.
- 1.2 The proposed drawdown was considered by the Council's newly formed s106/CIL Board of senior officers at its meeting in December. The Board recommends that the drawdown be approved.
- 1.3 The Council's Economic Development and Adult Learning service comprises three main areas of activity:
  - Business Investment

- Work Matters (Employment and Skills)
- Adult Learning & Skills

1.4 This report concerns two of these three interrelated areas. The Adult Learning Service supports the activities of the other two areas however, it does not form part of this proposal, as it is funded through other external sources, notably, the Education and Skills Funding Agency.

## **2. RECOMMENDATIONS**

2.1 To approve the drawdown of Section 106 funding to support the following services:

### Employment and Skills (Work Matters)

- 2018/19: £486,200 - relevant s106 ref AKA: 733/827
- 2019/20: £570,900 - relevant s106 ref AKA: 733/827

### Business Investment and Growth

- 2018/19: £406,000 - relevant s106 ref AKA 733/777
- 2019/20: £607,100 - relevant s106 ref AKA 733/777

2.2 To note that the drawdown for 2019/20 includes additional funding to support increased activity, including the Extended Markets programme and the Supply Chain project.

## **3. REASONS FOR DECISION**

3.1 The Council's commitment to inclusive growth and shared prosperity means that it is best placed to facilitate and lead on coordinating a Borough wide approach to ensuring the that the benefits of growth are shared amongst all residents and businesses.

3.2 A proactive and collaborative approach to engaging with businesses and supporting vulnerable people into sustainable, well-paid employment will harness the talents of teams from across the Council and partners within the Borough to deliver key economic development priorities that are set out in the Industrial Strategy and the administration's Manifesto.

## **4. BUSINESS INVESTMENT TEAM**

### **Context**

- 4.1 There are approximately 13,000 VAT registered businesses located in the Borough, together employing 135,000+ people.
- 4.2 The Borough has seen good growth in its business base since 2011, reflecting the strength of its economy. It has a business density of 69 businesses per 1000 residents, compared with 57.5 for London.
- 4.3 The challenge is to build on this progress over the next two years and to ensure that the Borough's businesses take the opportunities and manage the challenges associated with the UK's impending withdrawal from the European Union.
- 4.4 Business start-up and closure rates are both higher in London than the rest of the country. Hammersmith and Fulham has a busy local economy with some of the highest business start-up and closure rates in London. This can be a feature of areas with high business density. Whilst high closure rates can sometimes be considered a weakness, high levels of churn may also reflect economic competitiveness and dynamism.
- 4.5 Around four-fifths of the Borough's businesses employ 0-4 people. In terms of volume, this is significant, but the Borough's 50 larger businesses employ over a third (36%) of the Borough's employees. It will, therefore, be important to segment approaches to supporting businesses so that needs of both small and larger businesses are met effectively.
- 4.6 Key sectors of the economy include information and communications, arts and recreation services and professional, scientific and technical organisations. This last group are often run as very small businesses engaged high value-added activity.

### **The role of the service**

- 4.7 The service supports the delivery of the Council's Industrial Strategy, with particular emphasis on its priorities for encouraging enterprise, improving town centres and commercial hubs, and enhancing arts and culture. It aims to:
- Secure economic growth by growing, retaining and developing businesses in the Borough, so that it acts as a Europe wide magnet for investment
  - Keep business growth at the heart of what the Council delivers and ensure that what it deliver clearly meets the needs of business.
- 4.8 The Business Investment Team acts as the first point of contact to businesses for Council services. It seeks to:
- Develop business support packages to support businesses within the Borough to start and grow.

- Establish mechanisms and develop forums that will enable the Council and its partners to better understand and respond to the needs of the Borough's businesses.
- Develop local supply chains to ensure that, where possible, large local anchor businesses and organisations contract with local SMEs.
- Provide a business helpdesk and refer those that need to specialist business support services.
- Work with the Work Matters Manager to secure Section 106 agreements for affordable workspace to help retain new start and micro businesses within the Borough
- Work with major contractors to strengthen local supply chains.
- Organise business related events and training opportunities, including Business Boot Camps, Enterprise Clubs and the annual Business Awards.
- Develop placemaking initiatives, including the extended markets programme, in order to help revitalise specific local areas and to enable start-up businesses to adopt a low risk approach to market testing their products.
- Work with landlords and commercial agents to identify ways of bringing empty commercial uses into affordable use
- Identify the best ways of communicating with businesses in the Borough and adopt a collaborative and consultative approach to designing and delivering business related initiatives, based on the principle of doing things with businesses, rather than to them.

4.9 Key outputs for the Team for 2018-2020 are:

Theme	Output 2018-20
Business engagement	Engage 4,000+ businesses in networking events, social media, e-newsletters and training courses
Foster networks	Establish a Borough wide Business Forum
Supporting enterprise	Enable 120 new businesses to test their products in the market through initiatives, such as the extended market programme and pop up shops.
Promoting place	Organise twelve extended markets, including Christmas and Spring markets in Hammersmith Town Centre and North End Road. Attract 150,000 people to attend the extended markets
Business advice and support	Provide strategic advice and support to five business fora/BIDs including Hammersmith, Fulham BIDs, Shepherds Bush & Blythe Rd business fora.
Supporting start ups	Provide business support to 500 pre-start businesses
Economic and social value through procurement	Assist 140 businesses to secure contracts with anchor businesses or organisations
Service development	Engage 400 businesses in consultations to gather intelligence to shape new services

#### 4.10 Key outcomes are:

- A clear and co-ordinated Council offer to businesses
- A clear set of mechanisms for consulting with Borough businesses on key strategic issues
- A clear route into the Council through a single point of contact approach
- A business-friendly environment that supports business growth and development by providing the business support packages that reflect current business needs
- A clear understanding of the business space availability and requirements within the Borough
- A council that has a sound understanding and can effectively respond to the identified needs of its businesses.
- Vibrant Town centres that become locations of choice for businesses, visitors and residents.

### **5. WORK MATTERS (EMPLOYMENT AND SKILLS) TEAM**

#### **Context**

- 5.1 Overall, Hammersmith has high employment and economic activity rates, but one in five (21%) of the Borough's working age residents are economically inactive. Economic inactivity is particularly high in Wormholt & White City and College Park & Old Oak wards.
- 5.2 An Estate Skills Survey, commissioned by the service last year found that there were also high levels of insecure employment and significant skills gaps amongst residents on the borough's council estates.
- 5.3 The Council has significant challenges in supporting people from particular groups into work. These include young offenders and people with learning difficulties and disabilities, for example.
- 5.4 The Borough has a large number of jobs compared with residents. This means that there is a significant level of in-commuting. Job brokerage services therefore should be well targeted so that they benefit local residents, who have barriers to the labour market.
- 5.5 In 2016 there were 9,850 residents claiming out of work benefits. Supporting people with Mental Health challenges has become an important issue and nearly half (47%) of residents claiming Incapacity Benefit/Employment Support Allowance reported Mental Health conditions as the reason for their claims.
- 5.6 The number of benefit claimants has fallen in recent years, but this has left a higher proportion of workless residents with more acute support needs, so services need to be designed to address this. In addition, the lower levels of out of work benefit claimants has meant that there is also a need to support people who are trapped in low paying employment and who suffer from in-work poverty.



- 5.7 The lowest average household incomes in the borough at ward level are in College Park & Old Oak and Wormholt & White City ward (£32.3k and £35.7k respectively). The lowest average incomes in the borough at LSOA level are £23.8k in the Edward Woods estate, £25.8k in the Clem Attlee estate, and £25.9k in the White City estate.
- 5.8 Overall, educational attainment amongst the Borough's young people is high and it tends to perform well when it comes to attainment amongst particular groups, such as students eligible for free school meals and those who have English as an additional language.
- 5.9 The Borough's adult residents are also generally well qualified, although nearly a quarter (23%) of residents living in College Park & Old Oak have no qualifications and 8,500 of the Borough's residents are unqualified.

### **The role of the Service**

- 5.10 The service supports the delivery of the Council's Industrial Strategy, with particular emphasis on its priorities for supporting people, economic growth for all, developing residents skills and employment opportunities. It aims to:
- Secure sustainable employment, apprenticeships and sector-related skills for LBHF residents by engaging with employers and developers via Section 106 agreements
  - Develop skills with local skills training providers, including colleges and other key stakeholders, including DWP, Adult Learning Service & the Third Sector
  - Gauge employer labour needs and source appropriate sector related training for LBHF residents
  - Source and promote vacancies, screen candidates and refer into external apprenticeships opportunities to assist developers and main contractors to meet Section 106 requirements; and
  - Develop a talent pool of work ready residents.
- 5.11 The expected outcomes over the two years include:
- A: Developing a co-ordinated, borough-wide approach to employment and skills, including job brokerage
- B: Providing an effective employment and skills service that focuses on aligning the Borough's business and resident needs and which allocates resources to where they can best support inclusive growth
- C: Creating greater opportunities for Borough residents to develop skills so that they can access good quality jobs and progress within the workplace
- D: Providing a good supply of apprenticeship and employment opportunities secured through Section 106 agreements with developers
- 5.12 Key outputs for the Team for 2018-2020 are:

Theme	Output 2018-20
Job placements	1500 Job Placements, including <ul style="list-style-type: none"> <li>○ 300 Borough residents</li> <li>○ 300 work related benefit claimants</li> <li>○ 50 people with a registered disability</li> </ul>
Vocational training	160 borough residents completing training courses leading to qualifications including construction skills (CSCS)
Apprenticeships	160 Borough residents placed onto apprenticeship programmes
Work experience	500 borough residents placed into Work Experience placements including those organised through Education SLA and T-level placements.
Job fairs	Organise 12 fairs, attend 12 more
Outreach sessions	50 school visits 200 outreach sessions
Volunteer placements	60

## Monitoring and Evaluation

- 5.13 Progress against all of the above forecast outcomes and impacts will be monitored and evaluated based on a robust monitoring and evaluation framework and summarised in quarterly progress reports.

## 6. EQUALITY IMPLICATIONS

- 6.1 It is not anticipated that the drawdown of S106 monies to fund the work of these teams will have any negative impact on any groups with protected characteristics, under the terms of the Equality Act 2010.
- 6.2 Implications completed by Peter Smith, Head of Policy and Strategy, tel. 020 8753 2206.

## 7. LEGAL IMPLICATIONS

- 7.1 The recommendation of this report is to approve the drawdown of monies secured through section 106 Agreements. All monies that are allocated from these agreements are to be used for the purpose secured under the same. Subject to this it is considered that no further legal implications arise
- 7.2 Implications completed by Poonam Rajput, Solicitor, tel. 0208 753 6378.

## 8. FINANCIAL IMPLICATIONS

- 8.1 This report seeks approval for the use of designated Section 106 funds to achieve economic development outcomes for the two financial years 2018/19 and 2019/20.

- 8.2 The specific amounts from each Section 106 are set out in the recommendations to this report.
- 8.3 This request has followed the Council's governance protocol for the allocation of Section 106 monies. The proposals were considered and approved by the Council's newly formed Officer S106 Board and subsequently by the Cabinet Member for Regeneration.
- 8.4 Finance officers have worked closely with the service and with Planning officers and all funds requested are already held by the Council and the proposed expenditure plans are within the terms of each agreement.
- 8.5 The funds will support the delivery of a General Fund MTFs saving for 2019/20 of £60,000.
- 8.6 Any plans for future funding of the service post 2019/20 will be set out in a future report to Cabinet.
- 8.7 Implications completed by: Danny Rochford, Head of Finance, Corporate Finance, tel. 020 8753 4023.
- 8.8 Implications verified by: Emily Hill, Assistant Director, Corporate Finance, tel. 020 8753 3145.

## **9. IMPLICATIONS FOR LOCAL BUSINESS**

- 9.1 Implications for business in the borough are set out in the main body of the report. Implications completed by Albena Karameros, Economic Development Team, tel. 020 7938 8583.

## **10. COMMERCIAL IMPLICATIONS**

- 10.1 There are no procurement implications resulted from this report. If any third party contractors are appointed to support the proposals of the report, these should be contracted in accordance with the CSOs and PCR 2015.
- 10.2 Implications completed by Andra Ulianov, Procurement Consultant, tel. 07776672876.

## **11. RISK MANAGEMENT**

- 11.1 The proposed changes in funding sources (for 2018/19 and 2019/20) and increase in funding in 2019/20 will enable the Council to meet its commitment to inclusive growth and shared prosperity, by leading on and coordinating a Borough wide approach to ensuring that the benefits of growth are shared amongst all residents and businesses in the borough.
- 11.2 Protecting the funding for these services will help the Council to:

- Maintain and develop a thriving local infrastructure and support network to enable dynamic and competitive local businesses to be created and grow.
- Ensure that the Borough's businesses take the opportunities and manage the challenges associated with the UK's impending withdrawal from the European Union.
- Tackle economic inactivity, in-work poverty and significant skills gaps across the borough.

11.3 Implications verified by David Hughes, Director of Audit, Fraud, Risk and Insurance, tel. 020 8753 2389.


## **12. IT IMPLICATIONS**

12.1 IT Implications: If a new team structure requires additional access to H&F IT equipment, systems and/or networks H&F IT Services must be consulted to ensure that all necessary safeguards, permissions and budgets are in place, and that the new service is aligned with the ITS desktop strategy.

12.3 Implications verified/completed by: Karen Barry, Strategic Relationship Manager, IT Services, tel. 0208 753 3481.

## **BACKGROUND PAPERS USED FOR THIS REPORT**

None

<p style="text-align: center;"><b>London Borough of Hammersmith &amp; Fulham</b></p> <p style="text-align: center;"><b>CABIBET</b></p> <p style="text-align: center;"><b>4 MARCH 2019</b></p>	
<p><b>DECISION TO JOIN A GOVERNMENT AND LONDON COUNCILS SPONSORED COMPANY TO CENTRALISE THE PROCUREMENT OF TEMPORARY ACCOMMODATION LEASED FROM PRIVATE LANDLORDS</b></p>	
<p><b>Report of the Cabinet Member for Housing – Councillor Lisa Homan</b></p>	
<p><b>Open Report</b></p>	
<p><b>Classification - For Decision</b></p> <p><b>Key Decision: Yes</b></p>	
<p><b>Consultation: Procurement, Finance, Legal, IT, Risk, Commercial, Equalities (To come)</b></p>	
<p><b>Wards Affected: All</b></p>	
<p><b>Accountable Director: Jo Rowlands, Strategic Director, Growth, and Place</b></p>	
<p><b>Report Author:</b> Nicky Pooni, Social Letters Agency Manager, Housing Solutions</p>	<p><b>Contact Details:</b> Nicky Pooni – 020 8753 2495 Email: nicky.pooni@lbhf.gov.uk</p>

## 1 EXECUTIVE SUMMARY

- 1.1 Capital Letters is an ambitious Government and London Councils sponsored company to centralise the procurement of temporary accommodation (TA) and private rented accommodation from private landlords. The business plan for the company has now been finalised and boroughs have the opportunity to seek Councillor approval to become founding members.
- 1.2 London Councils' proposal is to establish a not for profit company known as 'Capital Letters' with access to £37.8m Government funding over four years. The official name of the company is Capital Letters (London) Ltd. The funding will be for both staff and IT costs and also to subsidise rents procured through the company. The cost of providing temporary accommodation is estimated to be over £1 billion nationwide, with London boroughs responsible for the vast majority of expenditure. Often boroughs are in competition with each other to secure the same properties. The Greater London Authority (GLA), London Councils and London Directors Group have therefore been developing proposals to address this issue on a pan-London basis.

- 1.3 The original ambition was for Capital Letters to be launched in December 2018/January 2019 but the timescale has moved to approximately. June 2019.
- 1.4 This report sets out the reasons for joining Capital Letters, which will be a vehicle for the Council to jointly procure with other London boroughs affordable Private Rented Sector (PRS) accommodation across London. This will deliver at least the same level or potentially more PRS accommodation to use for the prevention and relief of homelessness or to discharge a main homelessness duty. One of the objectives for joining the company is improved outcomes for homeless families, allowing households to be placed more locally.
- 1.5 Capital Letters will also be a vehicle for pooling the procurement function of sourcing private sector accommodation used to accommodate households in temporary accommodation, rather than every borough procuring its own accommodation. Boroughs would transfer under TUPE or second a percentage of their housing procurement officers to Capital Letters who would then offer accommodation to boroughs based on more logical and fair principles than the current system of uncoordinated competition achieves.
- 1.6 H&F in-house procurement team completed 370 new acquisitions last year (2017/18) to meet homelessness demand and prevent homelessness. We are on target to exceed these numbers this financial year.
- 1.7 This report proposes that the Council joins Capital Letters (London). This must be approved by Full Council in accordance with 3.4.3 of the Council's financial regulations.
- 1.8 In the longer term, boroughs could also choose to source management, repairs and rent collection functions from Capital Letters.

## **2 RECOMMENDATIONS**

### **For Full Council**

- 2.1 That Members approve the proposal to join an accommodation sourcing and letting company Capital Letters (London) Ltd, a Company Limited by Guarantee wholly owned by local authorities.

### **For Cabinet**

- 2.2 That Members delegate authority to the Chief Housing Officer and the Strategic Director, Finance and Governance in consultation with the Cabinet Member for Housing to enter into the required membership agreements and contracts including the nomination of an officer to be a director to sit on the Board of the new company if considered appropriate.
- 2.3 That Members note that a further report will be presented concerning the contract to be awarded to the new company and associated arrangements once the company is established.

### **3 REASONS FOR DECISION**

- 3.1 The Capital Letters' proposed service of procuring new properties on behalf of member London boroughs will allow a more rational allocation of supply across London, allowing households to be housed closer to placing boroughs. Properties are expected to be a mixture of private rented sector properties let by the property owner to households by the boroughs, and properties leased directly from landlords or from managing agents.
- 3.2 Capital Letters would essentially act as a 'benevolent lettings agent' providing assured shorthold tenancies of at least six months so that boroughs could choose to discharge duty by placing a homeless person in one of their properties (as they can with any private sector landlord). This is a key tool in facilitating H&F to reduce the number of households in costly temporary accommodation. The access to Capital Letters additional government funding to increase AST's (Assured Shorthold Tenancies) would be a missed opportunity if H&F did not sign up as an 'A' Member.

### **4 PROPOSAL AND ISSUES**

- 4.1 There are 1411 homeless households currently living in temporary accommodation in H&F. The majority are living in temporary accommodation acquired via managing agents in and around neighbouring boroughs. Managing Agents are requesting annual increases in rent, due to the growing gap between the Council's offer of local housing allowance and market rents. It is becoming increasingly challenging to retain a cost-efficient TA portfolio and retain H&F's outstanding achievement of having no families in bed and breakfast or any form of nightly accommodation since May 2015.
- 4.2 When a household approaches H&F in housing need, Housing Solutions makes a formal assessment against a number of criteria as prescribed in the homelessness legislation. If it is not possible to prevent homelessness, and the household has met the legislative criteria, there is a statutory duty to secure suitable accommodation for the household.
- 4.3 The demand for affordable housing in the borough continues to be one of the major challenges that the Council faces with a high percentage of households approaching for housing assistance following eviction from the private sector due to inability to afford the high rents in the borough.
- 4.4 Since the implementation of the Homelessness Reduction Act (HRA) 2017, there has been a recognisable increase in the number of homeless applications. From 3<sup>rd</sup> April to 30<sup>th</sup> October (7 months since the implementation of HRA) the Council logged 1631 homeless applications. On average 233 per month. In the year prior to the HRA (April 17 – March 18) the Council took on average 102 per month, a 128% increase.
- 4.5 The growing number of applications and the Council's obligations within the legislation means that the Council has to explore ways of increasing the number of properties available to discharge duties to homeless households.

- 4.6 Longer term, H&F have 2,500 applicants on the housing register, we have a mixture of about 600 council and housing association homes to let each year. This means that less than 24% of people on the register will receive an offer each year. Therefore, people are encouraged to explore all housing options in order to secure suitable housing.
- 4.7 Capital Letters is an ambitious Government and London Councils sponsored company to centralise the procurement of Temporary Accommodation and private rented accommodation from private landlords. The business plan for the company has now been finalised and boroughs have the opportunity to seek Councillor approval to become founding members.
- 4.8 London Councils' proposal is to establish a not for profit company called 'Capital Letters' with access to £37.8m Government funding over four years. The funding will be for both staff and IT costs and also to subsidise rents for accommodation procured through the company. The cost of providing temporary accommodation is estimated to be over £1 billion nationwide, with London boroughs responsible for the vast majority of expenditure. Often boroughs are in competition with each other to secure the same properties. The GLA, London Councils and London Directors Group have therefore been developing proposals to address this issue on a Pan-London basis.
- 4.9 The original ambition was for Capital Letters to be launched in December 2018/January 2019 but the timescale has moved to approx. June 2019.
- 4.10 If H&F does not join Capital Letters, it is likely that there will be properties procured by Capital Letters in the borough but used by other boroughs. There is a significant risk that landlords and agents will prefer to work with Capital Letters than within individual boroughs because of the profile it will have when launched. The London Boroughs who do join Capital Letters will be in a position to move strongly into the Hammersmith market to provide 'near to borough' units for boroughs like Ealing, whilst having no regard for our local housing needs. Whereas now some boroughs are deterred from in the borough based on price, Capital Letters will be in a position to use the funding it has to subsidise these units to make them more affordable for other London boroughs to tap into the local property market.
- 4.11 Joining Capital Letters presents opportunities to;
- enable more of our homeless households to find affordable accommodation in-borough (or close to borough);
  - control (and even reduce) the cost to the Council of Temporary Accommodation (TA) because of the subsidy that the company can offer;
  - fully orientate the housing solutions service around prevention;
  - reduce the number of households in TA;
  - achieve economies of scale on costs by centralisation, e.g. for additional procurement staff, tenancy sustainment staff, IT, and premises for the company



- 4.12 Capital Letters will help to remove the competition between H&F and other London boroughs and duplication of effort, by developing an organisation to represent all the London boroughs. It is intended to offer a simpler and more straightforward interface for landlords, managing agents and developers anywhere in London who are able to provide properties for those households most in need of accommodation and help them to remain in their own borough.
- 4.13 By the end of the third year of operation it is envisaged that Capital Letters will have a staff complement of around 20 officers who will have secured almost 4,300 additional properties to help boroughs prevent and tackle homelessness.
- 4.14 Capital Letters would also build on the Inter Borough Accommodation Agreement (IBAA) which has led to reduced spending through rate-sharing and the application of a cap on rates paid for certain accommodation.
- 4.15 The company is already established and registered at Companies House, with a registered company name Capital Letters (London) Limited, however further work needs to be undertaken on its behalf until it has access to staff resources. Tower Hamlets will administer the MHCLG grant on behalf of Capital Letters and lead on procuring a HR Consultant & Project Director for the company and will design processes and HR policies for staff secondments and external recruitment. LB Ealing will lead on ICT procurement.
- 4.16 Boroughs seconding procurement officers to Capital Letters can choose what proportion of their allocation of new properties is PRS and what proportion is PSL (leased directly from private landlords) or PLA (leased via managing agents). They can also choose the size distribution of properties they need to meet local housing demand, e.g. 20% 1-beds, 40% 2-beds; 30% 3-beds, and 10% 4-beds.
- 4.17 H&F will retain a housing procurement function and therefore some direct control over procurement of temporary accommodation. We would need a clear delineation of property types being procured so as to avoid competing with Capital Letters for the same properties. One option would be to have the remaining in-house procurement officers focus on procuring ASTs for prevention, working directly with households at the front door (something Capital Letters wouldn't be able to do).
- 4.18 Boroughs who do not become members of Capital Letters and have a service agreement with it will still have properties procured by Capital Letters in their area. Although Capital Letters will abide by the agreed IBAA rates, there is nevertheless a significant risk that landlords and agents will prefer to work with Capital Letters than within individual boroughs because of the profile it will have when launched.
- 4.19 MCHLG has confirmed that the Ministry will guarantee funding for Capital Letters until the end of March 2022 – in that any lease or Assured Shorthold Tenancy (AST) secured by Capital Letters before that date will be subsidised by the Ministry at the agreed rates.

4.20 As a member of Capital Letters, H&F will be able to add to the acquisition power of the company on interventions to deliver more affordable PRS properties to homeless households. This will help to reduce the number of households in temporary accommodation, which in return will be financially beneficial to the Council..

4.21 In addition, the boroughs involved in the set-up of the company will have more influence over the way it is set up and shared than boroughs who join later after the organisation has been established. Early indications are that 16 London boroughs may join Capital Letters in the first wave, so no borough will have a decisive voice.

4.22 There are a number of risks surrounding the project:

- (i) Government subsidies have been agreed and total funding for the next four years is as follows, however there is a possibility that the funding will cease after this period.:

<b>Year</b>	<b>Funding</b>
<b>2018-19</b>	£1.1 million
<b>2019-20</b>	£7 million
<b>2020-21</b>	£12.9 million
<b>2021-22</b>	16.8 million
<b>Total</b>	<b>£37.8 million</b>

- (ii) Capital Letters would leave us with a closer, but more expensive, portfolio of leases, if we left or the Government subsidies ran out. Flexible Homelessness Support Grant is awarded until March 2020. There is uncertainty on the future TA subsidy regime after this time.
- (iii) After March 2022 there is a possibility that the funding will cease. Capital Letters would then have to pass on the full cost of leases/ASTs to the member boroughs. Capital Letters would also lose the additional procurement staff being paid for through MHCLG funding, so its capacity to procure properties at the same volume would likely be affected.
- (iv) H&F would need to adopt a Discharge of Duty policy whereby we discharged duty if households rejected offers of suitable, affordable accommodation.
- (v) Participating boroughs who become members of Capital Letters will initially second staff from their procurement teams for two years. Seconding staff is complicated and staff may not want to be seconded, which is voluntary and require both the employer and employee to agree, although boroughs have agreed to secondment arrangements. The employment terms and

conditions of secondees will be protected during the full length of secondment. No redundancies will take place, but more permanent arrangements between the Council and the company may see the voluntary transfer of staff under TUPE by operation of law, and then a loss of expertise to LBHF. Should the seconded staff not wish to join Capital Letters by TUPE arrangements, and the company's business structure remains viable and as a full member the Council will want to review its staffing structure for the procurement team to be able to continue with its full participation in Capital Letters.

(vi) Capital Letters is being created from scratch and has no track record of delivery.

## 5 OPTIONS AND ANALYSIS OF OPTIONS

5.1 The below table illustrates the three options that are open to H&F with Capital Letters;

Membership Category	Main Advantages	Main Disadvantages
Join company as an Member	<ul style="list-style-type: none"> <li>• control over strategic direction of the company Access to Additional MHCLG subsidy for at least 3 years</li> <li>• Can use the company's accommodation to discharge a homelessness duty</li> <li>• Can access higher LHA rates which would be 100% LHA opposed to Jan 2011 -90% + £40.00 TA subsidy regime now.</li> </ul>	<ul style="list-style-type: none"> <li>• Must commit to procuring no more than 50% of its TA outside of Capital Letters, excluding emergency accommodation and accommodation procured outside of London</li> <li>• Must second or fund staff to carry out procurement function</li> </ul>
Do not join	<ul style="list-style-type: none"> <li>• No constraints on Council's procurement activity</li> <li>• No need to second or fund staff to carry out procurement function</li> </ul>	<ul style="list-style-type: none"> <li>• Cannot discharge homelessness duties through Capital Letters</li> <li>• Cannot access higher London Housing Allowance rates</li> <li>• Risk that landlords/agents prefer working with Capital Letters, reducing the supply of accommodation to LBHF with increased numbers in Bed &amp; Breakfast (B&amp;B)</li> </ul>

5.2 Assuming that Members approve the Council becoming a member of the company, then further work will be needed to formalise this, hence a delegation to the Strategic Director of Finance and Governance for this purpose. After that the Council and the company will need to enter into a services contract which

would set out what the company will do for the Council and how it will do this, as well as staff secondment arrangements.

5.3 If H&F becomes a member of Capital Letters and then enters enter a contract with it, this can offer several different future opportunities, these include:

(a) **Transferring leased accommodation to Capital Letters:** This option would enable the Council to sub-lease its existing portfolio of accommodation leased from the private sector to Capital Letters, so that Capital Letters would become the landlord. Households would be offered an AST, enabling the Council to discharge its homelessness duty, and would no longer claim housing benefit through the TA subsidy system.

(b) **Capital Letters procuring leased accommodation on behalf of the Council:** Capital Letters would negotiate with landlords and agents to acquire leased accommodation and the Council would receive nomination rights commensurate with the amount of funding or seconded staff made available to Capital Letters. In this scenario, Capital Letters would be the landlord, bringing the advantages set out in option (a) (above). In addition, the cost of each leased unit would be subsidised through MHCLG funding, for at least the first three years.

(c) **Capital Letters arranging PRS tenancies (Direct Lets) on behalf of the Council:** This option would operate in a similar fashion to the Council's Direct Lets Scheme. Capital Letters would encourage landlords and agents to let their properties to homeless households through the payment of cash incentive. Nomination rights would operate in the same way as option (b) (above). Part of the incentive payment would be met through MHCLG funding, reducing the cost to the authority.

5.4 Initially it appears that option c) is preferable as it offers the clearest financial benefit. Nevertheless, options a) and b) should not be discounted. Option a) has the potential to become more attractive in future years if mainstream LHA rates continue to rise as expected. Likewise, option b) could offer a financial benefit to the Council as part of a wider procurement strategy.

5.5 If Capital Letters does not work, the Council can cease to be a Member of the Company by serving six months written notice to do so.

## 6. CONSULTATION

6.1 It is not proposed that consultation be carried out on these proposals.

## 7. EQUALITY IMPLICATIONS

7.1 It is not anticipated that there will be any negative impact on groups with protected characteristics, under the terms of the Equality Act 2010, from H&F joining the Capital Letters scheme.

- 7.2 Implications completed by Peter Smith, Head of Policy & Strategy, tel. 020 8753 2206.

*Implications to be completed by: Peter Smith, Head of Policy & Strategy, tel. 020 8753 2206.*

## **8. LEGAL IMPLICATIONS**

- 8.1 The report proposes that the Council become a member of the company called Capital Letters (London). In accordance with 3.4.3 of the Council's financial regulations this must be approved by Full Council following consultation with the Chief Financial Officer. This is because the Council will be acquiring an interest in the company.
- 8.2 The Council has a duty under the Housing Act 1996 ("the Act") to prevent homelessness and provide assistance to eligible applicants who are threatened with or are homeless. There is a duty under Section 188 of the Act to provide interim temporary accommodation to applicants in priority need pending a decision that on whether a housing duty is owed to the applicant. If a housing duty is accepted S193 of the Act provides that the Council must ensure that suitable accommodation is available for the applicant.
- 8.3 It is proposed that joining "Capital Letters" will enable the Council to benefit from an increased supply of affordable properties to house homeless households and discharge the housing duty.

*Legal Implications above by: Janette Mullins Acting Chief Solicitor, tel. 0208 753 2724.*

- 8.4 In relation to the proposal to join the company called Capital Letters (London) Limited, Members will need to be satisfied that this is in the best interests of the Council. The company is already registered at Companies House as a shell company. Draft Articles for the company together with a Members' Agreement have been produced on the instructions of LB Tower Hamlets who are promoting the company and taking the lead in its establishment. The company will be wholly owned by the constituent local authorities.
- 8.5 The company will be established as a company limited by guarantee with a nominal membership fee of £1. In this way the liability of the Council is limited. As it is not a company limited by shares then there is no distribution of profit to shareholders. However, in the event of the company being wound up with any debts, then the members will need to determine how to meet those liabilities.
- 8.6 The draft Articles are fairly standard but come with the requirement that at least 50% of new properties per year (excluding nightly lets and properties outside London) are procured through the company, and the Council's membership could be terminated if this is not achieved.

- 8.7 The company will be managed on a day to day basis by a Board of Directors. It is proposed that there will be no fewer than three directors and no more than twelve directors on the Board of the Capital Letters. These directors will include independent directors. Critical matters are reserved to the Members, with each Member having a place on the what is called the Boroughs' Representative Body, and this is set out in the Members Agreement. It will be noted from the Articles that should the Council wish to cease to be a member of Capital Letters, it may do so by serving no less than six months' notice in writing.
- 8.8 The full proposal can only be implemented in two stages. This report is seeking the approval to become a member of the company. However, this does not of itself entitle the Council to access what the company will offer as a service. Instead the Council will need to enter into a separate services agreement to receive this. All services contracts that the Council enters into are subject to EU procurement legislation and the Council's contract standing orders (CSOs). For the latter, a waiver will be sought at the appropriate time to enable a direct award. The waiver will need to relate both to the requirement to prepare a Procurement Strategy and to the usual tendering requirements of CSOs.
- 8.9 In relation to EU procurement legislation, regulation 12 of the Public Contract Regulations 2015 (PCR) permits the direct award of a contract (i.e. without following any tender process) to what is effectively a wholly-owned subsidiary, provided there is the required degree of control. This is known as the *Teckal* exemption after the case where it first arose. This exemption applies even where the control is exercised together with other authorities. There are three tests to be fulfilled if the exemption is to be relied upon:
- The Council exercises jointly with other contracting authorities a level of control over the entity to be awarded the contract, which is similar to that which they exercise over their own departments;
  - More than 80% of the activities of the company to be awarded the contract are carried out in performance of the tasks entrusted to it by the controlling authorities;
  - There is no direct private capital participation in the company to be awarded the contract (with some limited exceptions).
- 8.10 With Capital Letters, the draft Articles of Agreement and Members Agreement currently ensure that there is no direct private capital participation (as all the members have to be local authorities), and it is intended that 100% of activities are for the controlling authorities. It will however be important that the Council actively participates in the management of the company so as to ensure that the control test described in the first bullet point is fulfilled. In regulation 14, this is defined as:
- The decision-making bodies of the company are composed of representatives of all participating authorities;
  - The participating authorities are able to jointly exert decisive influence over the strategic objectives and significant decisions of the company;
  - The company does not pursue any interests which are contrary to those of the participating authorities.

It will therefore be necessary for the Council to exercise an active role in the management of the company as a member through the Boroughs' Representative Body, and through its representation on the Board of Directors if considered appropriate, for the exemption to continue to apply.

- 8.11 In relation to Brexit, a delay to the EU departure date by deferring Article 50, or the UK entering into a withdrawal agreement with a transition period, will mean that the current rules set out in the PCR will continue to apply. If the UK leaves the EU on March 29th without a withdrawal agreement, then there is a draft Statutory Instrument before Parliament that preserves the effect of the PCR but with provision for an alternative advertising forum to the Official Journal of the EU. Therefore, the rules explained above will continue to apply.

*Legal Implications 8.4 onwards prepared by Deborah Down, senior associate with Sharpe Pritchard solicitors, on secondment to the Council.*  
[ddown@sharpepritchard.co.uk](mailto:ddown@sharpepritchard.co.uk)

## **9. FINANCIAL IMPLICATIONS**

- 9.1 The purpose of this report is to approve the intention to progress towards membership of Capital Letters, expected around June 2019. This report is not intended to approve budgets and financial implications for the proposed model. This is because establishment of the company and membership model, access to funding, procurement, staffing arrangements and other cost matters will be finalised over the coming weeks. It is expected that a further report will be taken to Cabinet as these matters are progressed and to approve any application for membership.
- 9.2 At this stage, there is no expectation that the Council will need to invest any funds into the new entity and the intention is that membership of Capital Letters will enhance the Council's purchasing power and provide access to Government funding which will be used to subsidise the high rental costs of temporary accommodation. In the context of increasing rental accommodation costs and constraints on income due to Welfare Reform, this should allow the Council to avoid further costs which would otherwise place additional unbudgeted pressure on the Council's General Fund. The potential for any additional net financial benefit will also be explored.
- 9.3 Section 4 and 5 of this report sets out more detail on the next steps involved in progressing this proposal. Finance officers will work closely with the service in ensuring that all financial implications are fully understood. This will be followed by a further report to Cabinet which will set out the anticipated costs, benefits and risks. The financial impact on the General Fund will be tracked and managed through the Council's corporate revenue monitoring regime.
- 9.4 The initial findings suggest that there is no immediate financial impact stemming from participation in this scheme, that set up costs will be met through grant funding, and that the Council is not required to make any contribution towards the company on the basis of membership alone.

9.5 Section 4.7 sets out the time-limited nature of the proposal and the risk that additional costs resulting from the loss of government subsidy could be passed to the General Fund after 2021/22.

9.6 Financial implications completed by: Danny Rochford, Head of Finance, tel. 0208 753 4023.

Financial Implications verified by: Emily Hill, Assistant Director, Corporate Finance, tel. 020 8753 3145.

## **10. IMPLICATIONS FOR BUSINESS**

10.1 Implications on local businesses and local private landlords would be that they would receive a unified procurement service across London boroughs who have signed up for Capital Letters.

10.2 A better landlord rental offer via Capital Letters, will in return mean that H&F benefit from more in-borough and local properties, where now we are outbid by other London boroughs by them paying more landlord incentives.

10.3 So Capital Letter will help us to attract more local landlords and estate agents to meet homelessness demand and prevent homelessness.

Implications to be completed by: Alben Karameros, Economic Development Team, tel. 07739 316 957.

## **11. COMMERCIAL IMPLICATIONS**

11.1 There are no procurement implications with regards to this report at this moment as there are no financial commitments.

11.2 All contracts should be awarded under the Public Contracts Regulations (Reg 12)

11.3 The contract with Capital Letters shall be published on the Council's Contracts Register and each award under this arrangement shall be compliant with the Council's T&Cs.

*Commercial implications completed by: Andra Ulianov, Procurement Consultant, tel. 020 8753 2284.*

## **12 IT IMPLICATIONS**

12.1 IT Implications: If the arrangement with Capital Letters results in a requirement to access H&F IT equipment, systems and/or networks, H&F IT Services must be consulted to ensure all necessary safeguards, permissions and budgets are in place.

12.2 IM Implications: As Capital Letters will be processing personal data on behalf of H&F, a Privacy Impact Assessment will need to be completed to ensure all



potential data protection risks in relation to this proposal are properly assessed with mitigating actions agreed and implemented.

- 12.3 The contract with Capital Letters will need to include H&F's data protection and processing schedule. This is compliant with the General Data Protection Regulation (GDPR) enacted from 25 May 2018.

*Implications verified/completed by: Karen Barry, Strategic Relationship Manager, tel. 020 8753 3481.*

### **13 RISK MANAGEMENT**

- 13.1 The main benefit here must be to ensure that accommodation is provided to the most vulnerable in society, and that accommodation provided is suitable in line with our H&F Values and residents needs and expectations. There are 1411 homeless households currently living in temporary accommodation in the borough most are acquired via managing agents in and around the neighbouring boroughs. Inflation risk is event in that Managing Agents are requesting annual increases in rents, due to the growing gap between the Council's offer of local housing allowance and the market rents. It is becoming increasingly challenging to retain a cost-efficient temporary accommodation portfolio and retain the Council's outstanding achievement of zero families in bed and breakfast or any form of nightly accommodation since May 2015. All London boroughs must provide accommodation for those at risk of homelessness but this can lead to areas competing for the best accommodation potentially driving up prices and slowing down the provision of quality housing. Homelessness charity Shelter calculated in November 2018 that there were 320,000 homeless people in Britain. Figures from the Office for National Statistics also showed a sharp rise in the number of deaths of homeless people over the last five years of which London had the highest mortality of homeless people according to the figures. Section 4.7 provides Members with details of the possible risks that may arise from implementing a change of Service to Capital Letters but this should have considered against the potential the new Service provides.

*Implications verified by: Michael Sloniowski, Risk Manager, tel. 020 8753 2587.*


### **14. BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

- 14.1 N/A

### **15 LIST OF APPENDICES**

- 15.1 N/A

# Agenda Item 7

<p><b>London Borough of Hammersmith &amp; Fulham</b></p> <p><b>CABINET</b></p> <p><b>4 MARCH 2019</b></p>	
<p><b>BUSINESS CASE &amp; PROCUREMENT STRATEGY IN RELATION TO LIGHTNING PROTECTION</b></p>	
<p><b>Report of the Cabinet Member for Housing: Councillor Lisa Homan</b></p>	
<p><b>Open Report</b></p>	
<p><b>Classification: For decision</b> <b>Key Decision: Yes</b></p>	
<p><b>Consultation:</b></p> <p><b>Finance, Legal, Procurement, Business, Commercial IT, and Risk Management</b></p>	
<p><b>Wards Affected:</b></p> <p><b>All</b></p>	
<p><b>Accountable Director: Jo Rowlands Strategic Director Growth and Place</b></p>	
<p><b>Report Author:</b> <b>Richard Buckley Assistant Director Growth and Place</b></p>	<p><b>Contact Details:</b> Tel: <b>07769882207</b> Email: <b>Richard.buckley@lbhf.gov.uk</b></p>

## 1. EXECUTIVE SUMMARY

- 1.1. Lightning protection is a system that is designed to protect buildings and infrastructure being directly or indirectly affected by a lightning strike. Not only does lightning affect a building's structure but it can also interfere with operational aspects of a building including electrics, telecoms, and computers etc. Lightning strikes create a power surge which can cause fires, loss of electrics and even loss of human life. Lightning Protection systems are designed to channel current safely to the ground so it can dissipate safely.

- 1.2 Best practice advises that all lightning protection systems should be inspected and tested at least once a year. It is part of BSEN 62305 and Electricity at Work Regulations.

It appears that over the years the lightning protection in some Council buildings which is mainly constructed of copper has been damaged or removed. Measures will be taken to provide additional security to stop it being removed in future and regular inspections will be carried to ensure that any damage is identified and rectified in a timely manner.

- 1.3 Further to Cabinet Member approval on 18 February 2018 surveys have so far been carried out at 287 blocks (4 storeys and above) to ascertain the overall condition and to determine the work necessary to comply with current regulations. The estimated costs of the work to the 287 blocks is £350,000.
- 1.4 There are a further 100 blocks still to be surveyed and it is hoped that these will be completed by the end of February 2019. Based on the average cost of the blocks already surveyed the estimated cost of remedial work to the additional 100 properties is £122,000.
- 1.5 The total pre-tender estimate to carry out lightning protection works to all identified blocks that do not comply with current regulations is £472,000.

## **2. RECOMMENDATIONS**

It is recommended:

- 2.1 That following completion of the remaining surveys and due to the specialist nature of the work a restrictive procurement exercise be implemented to carry out lightning protection remedial work to all Council blocks of residential dwellings that do not comply with current regulations.
- 2.2 That the expenditure of £472,000 be approved.

## **3. REASONS FOR RECOMMENDATIONS**

- 3.1 To comply with the requirements contained in Contract Standing Orders to seek Cabinet approval before a regulated procurement exercise is commenced.

## **4. PROPOSAL AND ISSUES**

- 4.1. The proposal is to ensure all Council buildings within the housing stock that require lightning protection are fitted with adequate lightning protection which complies with BSEN 62305.
- 4.2. The Council has adopted a best practice policy regarding health and safety and currently around 300 blocks out of 487 blocks surveyed within the Council's housing stock do not comply with the regulations and urgent remedial work is required to remedy the issue.

- 4.3. A series of measures will be implemented to provide anti-vandal protection. Guards will be installed at ground level up to a height of 3 metres and will have tamper proof screws fitted to prevent systems from being vandalised or stolen. Similar security measures will also be carried out at roof level. Annual inspections will be carried out to test the systems and identify any remedial works that are required.

## **5. OPTIONS AND ANALYSIS OF OPTIONS**

- 5.1 A Service Review Team (SRT) has undertaken a service review in accordance with Contracts Standing Orders. Appendix 1 sets out the commercial and procurement options, together with an analysis of these options.
- 5.2 The Council could opt to do nothing but this could endanger the safety of residents, damage the Council's reputation, and leave it liable to insurance claims in the event of damage caused by a lightning strike.
- 5.3 Due to the specialist nature of the works the Council could make a direct award of the contract to Horizon Limited who are carrying out the surveys but this would be in contravention of the Council's Standing Orders and cannot be justified as there are other specialist contractors in the market.
- 5.4 The preferred option is to carry out a restrictive procurement procedure with specialist contractors to carry out the necessary remedial work. Once the approved list of contractors has been compiled credit checks will be carried out of the selected contractors to ensure that they meet the Council's credit threshold.

## **6. CONSULTATION**

- 6.1 Consultation has been carried out with Legal, Procurement, Business, Commercial, IT and Risk Management.
- 6.2 Residents will be consulted through the Repairs Working Group and individual tenant and resident associations.
- 6.3 These works are rechargeable to leaseholders but projections indicate that all but two buildings will fall under the threshold for statutory consultation. There will therefore be no need in the main for formal consultation and costs can be recovered through the day-to-day service charge account for each property.
- 6.4 In the two instances identified where costs may exceed £250 per homeowner, or in any later instance where the same is identified, the works will be consulted separately under Schedule 4 Part 2 of the consultation regulations. These instances will constitute separate contracts from that proposed here and leaseholders will be offered the opportunity to nominate the name of an alternative contractor. For further detail of Stakeholder Consultation see Appendix 1 Paragraph 7.

## **7. EQUALITY IMPLICATIONS**

- 7.1. There will be limited inconvenience to residents as the work will be carried externally on the roof and the side of the building. The impact of the proposed works will be positive in that it will protect the integrity of the Council's Health and Safety policy.
- 7.2. It is not anticipated that there will be any negative impact on any groups with protected characteristics, under the terms of the Equality Act 2010.
- 7.3. Implications verified by: Peter Smith, Head of Policy & Strategy, tel. 020 8753 2206.

## **8. LEGAL IMPLICATIONS**

- 8.1. As required by Contract Standing Order 8.12, this report is being presented to Cabinet for approval of the Business Case and Procurement Strategy for the proposed procurement of a contractor to carry out lightning protection remedial works on Council housing estates.
- 8.2. As recognised by the Business Case and Procurement Strategy, this procurement is below the EU threshold for works, so the full requirements of the EU public procurement rules do not need to be followed.
- 8.3. The proposal to follow a full tender process advertised on the Council's capital-sourcing tendering portal will secure compliance with the Council's Contract Standing Orders (CSOs). For a contract of this value, CSO 10.2 requires the placing of an advert on the Council's own tender portal if the Council's Repairs and Maintenance Contractor is not used.
- 8.4. Despite a two-stage process being followed, it is good practice to publish draft contract documents on the Council's tendering portal as soon as the advert is placed.
- 8.5. Legal services will continue to advise the service area in relation to the proposed evaluation methodology and the most appropriate contract terms.
- 8.6. Due to the estimated value of the contract, CSO 17.3 will permit the award decision to be taken by the Cabinet Member, provided that the successful tender recommended for award does not diverge by more than 10% from the estimated contract value set out in the Procurement Strategy.

Implications verified/completed by: Deborah Down, senior associate with Sharpe Pritchard LLP on secondment to the Council  
[ddown@sharpepritchard.co.uk](mailto:ddown@sharpepritchard.co.uk)

## **9. FINANCIAL IMPLICATIONS**

- 9.1 The HRA Capital Programme 2018/19 to 2021/22 (Second Quarter) revised budget approved by Cabinet on 14 January 2019 includes £36.3m of unallocated budget. In the Third Quarter budget revision being considered by Cabinet on 4 February 2019 the unallocated budget stands at £29.2m after

taking into account Cabinet / Cabinet Member Decisions since the second quarter.

- 9.2 The proposal under this report is estimated to require a budget of £472,000 which will need to be funded from this unallocated budget. As outlined in Section 1.3 and 1.4 of this report, out of a total of 387 blocks to be surveyed for the lightning protection works, only 287 have been surveyed so far. This estimated cost is based on a straight-line extrapolation of the estimated cost of the surveyed blocks to the total number of blocks. If the actual cost turns out to be higher than the estimate, it will result in additional money being needed from the unallocated budget.
- 9.3 Project spend will be monitored and reported on via the Decent Neighbourhoods monthly budget monitoring and the quarterly Capital Monitoring by Cabinet. It is recommended that project managers maintain project cash flows that are shared with Growth and Place Finance to ensure strong budgetary control.
- 9.4 Based on computation carried out by the Leasehold Services team, amount chargeable to leaseholders for works on the 287 surveyed blocks is £105,000. A straight-line extrapolation of this to the total number, ie, 387 blocks gives an estimated chargeable cost of £142,000. Where any portion of these charges cannot be passed onto the Leaseholders for any reason, it will need to be funded within capital budgets and allocation for this scheme. This will result in an increase in the HRA Capital Financing Requirement by an equivalent amount.
- 9.5 Section 6.3 specifies that for the majority of blocks, these costs can be recovered through day to day service charge accounts of the relevant properties. We have obtained confirmation from the Service Charge Accounts team that in such cases, the relevant recovery can be passed on to the leaseholders' contribution for major works pot to fund the related capital spend.
- 9.6 Finance will carry out credit check of the contractors proposed for selection in future for the works approved by this report.

### **Financial Context**

- 9.7 The plans set out in this report are not expected to adversely impact on the current projected level of HRA cashable reserves. The plans in this report are also not expected to adversely impact on the level of debt in the HRA as measured by the HRA Capital Financing Requirement (CFR), as the Capital Programme Monitor & Budget Variations, 2018/19 (Second Quarter) report that went to Cabinet on 14 January 2019 has a sufficient budget envelope to fund the award of this contract.
- 9.8 Implications completed by: Sudhir Kafle, Housing Investment Accountant, tel. 020 8753 4391.

9.9 Implications verified by: Emily Hill, Assistant Director, Corporate Finance, tel. 020 8753 3145.

## **10. IMPLICATIONS FOR LOCAL BUSINESSES**

10.1. Delivery of Lightning Protection Systems require specialist contractors who will be encouraged to use local supply chains for the supply of materials and labour where possible.

10.2. The Commissioning Manager will work with the Economic Development Team to ensure that economic and social criteria is delivered and to create employment and skills prospects for residents and supply opportunities for local businesses.

10.3. Implications verified/completed by: Albena Karameros Albena Karameros Economic Development Team, tel. 020 7938 8583.

## **11. COMMERCIAL IMPLICATIONS**

### **To be completed by Procurement**

11.1. The estimated value of the contract is under the statutory threshold for works £4,551,413 and therefore the full Procurement Regulations do not apply. However a restricted procedure is possible under Reg 111.

11.2. The recommendations and the procurement strategy are in line with the Council's Contract Standing Orders (CSOs). A two stage process will ensure that all suppliers considered meet the Council's minimum standard. A TAP will be formed to assess the tender responses based on a 60%-40% quality price ratio.

11.3. A tender will be advertised appropriately, in Contracts Finder and capitalEsourcing.

11.4. A Privacy Impact Assessment must be signed off before publishing the tender to be compliant with internal Data Protection processes.

11.5. The Procurement Team will support the officers in ensuring compliance with the Regulation for the multi procurement exercise recommended.

11.6. Implications verified/completed by Andra Ulianov, Procurement Consultant, tel. 0208 753 7181.

## **12. SOCIAL VALUE**

12.1 The Social Value aspect has been considered, which is satisfying the Social Value Act 2012 requirements. Social Value, sustainability, and environmental issues will account for 5% of the Quality awarding criteria. One KPI shall be set around Social Value to ensure accurate management and delivery.

12.2 Implications verified/completed by Ilaria Agueci Procurement Consultant (e-projects), tel. 020 8753 4762.

### **13. IT IMPLICATIONS**

13.1. There are no apparent direct ICT implications resulting from the proposal in this report.

13.2. If the new contractor will be processing personal data on behalf of H&F a privacy impact assessment will need to be completed to ensure all data protection risks are properly assessed with mitigating actions agreed and implemented. For example, a contract data protection and processing schedule or an information sharing agreement template and a Supplier Security Checklist to ensure the systems used by the contractor comply with H&F's regulatory requirements.

13.3. The contract with the new supplier will need to include H&F's data protection and processing schedule. This is compliant with the General Data protection Regulation (GDPR) enacted from 25 May 2018.

13.4. Implications verified/completed by Karen Barry, Strategic Relationship Manager, IT Services, tel. 0208 753 3481.

### **14. RISK MANAGEMENT IMPLICATIONS**

14.1. Details of the risks and issues implications identified by the SRT are given in Appendix 1 (see Paragraph 3).

14.2. Implications verified/completed by: Michael Slonowski Risk Manager, tel. 020 8753 2587.

### **15. BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

**None**

### **LIST OF APPENDICES**

**Appendix 1: Business Case and Procurement Strategy in relation to Lightning Protection**



## APPENDIX 1:

# **BUSINESS CASE AND PROCUREMENT STRATEGY IN RELATION TO LIGHTNING PROTECTION**

## **BUSINESS CASE**

### **1. BUSINESS CASE – WHY THE PROCUREMENT IS NEEDED**

1.1 The procurement is needed to ensure that all Council buildings within the Council's housing Stock are adequately protected against lightning. The Council has adopted a best practice policy in respect of health and safety and around 300 blocks do not comply with the regulations and urgent remedial work is required to remedy the situation.

### **2. FINANCIAL INFORMATION**

2.1 The pre- tender estimate for the remedial work is £472,000. The breakdown is as follows:

Properties	Average Cost	Total Cost
287 Surveyed	£1220	£350,000
100 To be surveyed	£1220 (extrapolated)	£122,000
<b>387 Total</b>		<b>£472,000</b>

2.2 Detailed surveys have been carried on 287 blocks and the estimated cost of the remedial works is £350,000 at an average cost per building of £1220. This figure has been extrapolated to the 100 blocks not yet surveyed which adds £122,000 to the overall cost giving a total estimated cost of £472,000

### **3. OPTIONS APPRAISAL AND RISK ASSESSMENT**

3.1 The Council could opt to do nothing but this is not really an option as it could endanger the safety of residents, damage the Council's reputation, and leave it liable to insurance claims in the event of damage.

3.2 Due to the specialist nature of the works the Council could make a direct award of the contract to Horizon Limited who have carried out the surveys to date and have detailed knowledge of the blocks. However this would be in contravention of the Council's Standing Orders and cannot be justified as there are other specialist contractors in the market. The preferred option is to carry out a restrictive procurement procedure from specialist contractors to carry out the necessary remedial work.

## **RISK MANAGEMENT IMPLICATIONS**

- 3.3 Works are required to ensure mitigation of continuity of service risks to our residents of a critical system in accordance with Corporate Risk and Statutory Duties. The impact of the proposed works is expected to be positive with homes provided with a reliable lightning protection system.
- 3.4 Proportionate and targeted action is being taken to reduce the risks to an acceptable level. It is essential that in managing these risks the Council is:
- Achieving Council priorities to put resident's first
  - Being ruthlessly financially efficient
  - Protecting Residents
  - Maintaining and promoting the Council's reputation.

The appointed contractor will undertake the Principal Contractor role in accordance with the requirements of the CDM regulations.

- 3.5 The contractor will prepare and maintain a Construction Phase Plan for all the works. The CPP will comply and preferably exceed the requirements set out in the following:
- The Management of Health and Safety at Work Regulations 1999
  - Construction (Design and management) Regulations 2015 and Associated L 153 Guidance Document
  - Provision and use of Work Equipment Regulations 1998
  - Health and Safety (Young Person) Persons Regulations 1997
  - The Control of Asbestos at Works Regulations 2012

## **HEALTH AND SAFETY PLANNING**

- 3.6 Contractors will be expected to provide risk assessments and method statements before a project commences. It will not be necessary to erect scaffolding as access to the roof is generally via roof hatches and ladders. Contractors are asked to submit details of their own code of contract and this is checked to ensure it complies with our own requirements. Copies of the Risk Assessment will be held on site.
- 3.7 The required information will be provided to the Principal Designer to allow them to issue the Pre-construction Information Plan (PCIP) and submit a notification to the HSE.
- 3.8 Once the contractor has received the PCIP they will continue to develop the Construction Phase Plan (CPP) considering the details provided by the in the PCIP. The contractor will ensure that we deliver the CPP in a timely manner

to LBHF and Principal Designer for approval in advance of the work commencing on site.

The CPP will be maintained throughout the contract and updated to allow for any changes in design, H&S procedures, Legislation, LBHF Requirements and new risks that may arise in delivery.

## **HEALTH AND SAFETY MANAGEMENT**

- 3.9 Once projects are live, Health and Safety is the number 1 priority and the first agenda item at monthly progress meetings. Risks are constantly monitored with an ongoing action plan as per the live Risk Register.
- 3.10 The Health and Safety file/O&M manual will be developed throughout the delivery of the project to ensure that those involved in future maintenance work can benefit. The file will be agreed with the Principal Designer and made available to LBHF in both electronic and hard copy. The file will provide detail of drawings, certificates, guarantees, approvals and details of the project team.

## **4. THE MARKET**

- 4.1 There are a limited number of specialist contractors who have the capacity and skills to carry out works of this nature. We are confident that there are a select number of contractors in the market to allow a successful procurement exercise to take place.

## **5. PROCUREMENT STRATEGY**

### **CONTRACT PACKAGE, LENGTH AND SPECIFICATION**

- 15.1. The total contract value is estimated at £472,000. Following completion of the remaining surveys it is proposed to award a single contract phased over 2 years, starting in 2019/20 and completing in 2020/21. The contract is below the EU threshold for works. Contract Standing Order 10 requires a contract of this value to be advertised to the market (if not being placed with the Council's Housing repairs contractor).

### **SOCIAL VALUE, LOCAL ECONOMIC AND COMMUNITY BENEFITS**

- 5.2 It is hoped that the proposal will see local companies involved in the supply of materials for the work. As these are specialist works there may be limited opportunities for any local direct employment training.

Local suppliers will be utilised where possible.

- 5.3 The lightning protection works will provide protection against lightning strikes thus protecting residents against any incidents and ensuring that the Council's assets are protected and comply with current regulations.

## **6. OTHER STRATEGIC POLICY OBJECTIVES**

- 6.1 The Housing Capital Programme seeks to meet the corporate objectives of improving the quality of the Council's housing stock. The lightning protection works will help to provide safe protected homes that comply with current regulations.

## **7. STAKEHOLDER CONSULTATION**

- 7.1 Residents will be written to advising them of the proposed works.
- 7.2 There will be no need in to formally consult with the majority of leaseholders as projections indicate that all of the buildings, apart from two, will fall under the threshold at which statutory consultation is required. This will mean costs can be recovered through the day-to-day service charge accounts.
- 7.3 Where costs are projected to exceed the statutory threshold, leaseholders will be separately consulted for the works under a separate contract. This will require two stages of consultation and lessees will be able to nominate the name of an alternative contractor. Those contracts will be separate from this.
- 7.4 Consultation will also take place through the Repairs Working Group and individual Tenant and Resident Associations.

## **8. PROCUREMENT PROCEDURE**

- 8.1 It is intended to use the restricted procurement procedure as the works are of a specialist nature and going out to open tender may attract bids from companies without the necessary skills and knowledge to carry out the works. Relevant experience and qualifications will be assessed at the SQ stage 1 one of the procurement process.

## **9. CONTRACT AWARD CRITERIA**

- 9.1 It is proposed to use a 60 Quality/40 price ratio as it is felt that this is the right balance between quality and price to ensure that the works are completed to the highest standards whilst also achieving best value for money.

Quality will be scored as follows:

•Detailed Method Statement	25%
•Understanding of the Council's requirements	20%
•Health and Safety Plan and Management	20%
• Resources to be deployed and experience of the managing team	20%
•Resident Engagement	10%
•Social Value, sustainability, and environmental issues	5%

## **10. PROJECT MANAGEMENT AND GOVERNANCE**

### **PROJECT MANAGEMENT**

- 10.1 The contract will be managed by the Head of Mechanical and Electrical supported by the appointed contractor's Project Manager. They will monitor progression and quality of work through bi weekly and monthly site meetings. These meetings will be logged along with the Senior Engineer's weekly site inspections. Internal progress meetings will be scheduled to allow formal reporting to the Head of Mechanical and Electrical.

## **11. INDICATIVE TIMETABLE**

- Completion of remaining surveys and start preparation of contract documents February 2019
- Pre-tender Section 20 Process March 2019
- Advertisement will be placed on Contracts Finder April 2019
- Short listing of bidders May 2019
- Final Tenders June 2019
- Tender Evaluation July 2019
- Completion of Section 20 process September 2019
- Award of Contract September 2019
- Start on Site October 2019

## **12. CONTRACT MANAGEMENT**

- 12.1 The Head of Mechanical and Electrical will manage the relationship with the contractor.


The Senior Electrical Engineer will raise all project contract documentation for change control i.e. Variation Orders, Engineers instructions etc

The Senior Electrical Engineer will complete periodic valuations and authorise payment certificates in accordance with the contract.

There will be handover inspections to ensure that work has been carried out to specification and to a satisfactory standard of workmanship.

- 12.2 On completion of the project (or project phases) the electrical engineer will raise sectional practical completion certificates and final Certification of Practical Completion.
- 12.3 Towards the end of the Defect Liability Period an inspection survey will ascertain whether the work has been maintained correctly during the Defects Liability period and that there are no outstanding items that need to be addressed by the contractor.

# Agenda Item 8

<b>London Borough of Hammersmith &amp; Fulham</b>		 hammersmith & fulham
<b>CABINET</b> <b>4 MARCH 2019</b>		
<b>BUSINESS CASE &amp; PROCUREMENT STRATEGY: THE PROCUREMENT OF LED LIGHTING FOR RESIDENTIAL BLOCKS AND ESTATE COLUMN LIGHTING</b>		
<b>Report of the Cabinet Member for Housing – Councillor Lisa Homan</b>		
<b>Open Report</b>		
<b>Classification: For decision</b> <b>Key Decision: Yes</b>		
<b>Consultation:</b>  <b>Finance Legal, Procurement, Business, Commercial, IT and Risk Management</b>		
<b>Wards Affected:</b>  <b>ALL</b>		
<b>Accountable Director: Jo Rowlands Strategic Director of Growth and Place</b>		
<b>Report Author:</b> <b>Richard Buckley Assistant Director Growth and Place</b>	<b>Contact Details:</b> <b>Tel: 07769882207</b> <b>Email: Richard.buckley@lbhf.gov.uk</b>	

## 1. EXECUTIVE SUMMARY

- 1.1. This report sets out the business case and procurement strategy for upgrading lighting on Council estates to LED equivalents. This includes communal lighting in corridors stairs and exterior of buildings together with estate lighting comprising of lighting columns on green spaces, external walk-ways, and carparks.
- 1.2. Detailed financial modelling has been carried out to assess the business case for the project for the replacement and upgrading of the lighting.
- 1.3. The main drivers for investing in LED Lighting are reduced energy consumption, reducing our carbon footprint and lower maintenance costs.

- 1.4. The Council is committed to reducing the impact it has on the environment in accordance with Council values, reducing pollution and working towards the Council becoming the greenest borough in Britain. The Council is working hard to reduce carbon emissions in the Borough and reducing fuel poverty by helping residents to save money on their energy bills. Once all the lights have been upgraded and the capital costs recovered, the new LED lamps will help to save the Council around £650,000 each year by reducing energy consumption and lower maintenance costs.

## **2. RECOMMENDATIONS**

- 2.1. That the existing residential block and estate lighting be replaced with LED equivalent which is consistent with the Council's aim of being the Greenest Borough in the Country.
- 2.2. That the Business Case and Procurement Strategy for LED Lighting for Residential Blocks and Estate Column Lighting procurement (at Appendix 1) be approved.

## **3. REASONS FOR RECOMMENDATIONS**

- 3.1. To comply with the requirements contained in Contract Standing Orders to seek Cabinet approval for the business case and procurement strategy for any proposed procurement, before a regulated procurement exercise is commenced.

## **4. PROPOSAL AND ISSUES**

- 4.1. The proposal has 2 main parts:
- Communal Lighting
  - Estate lighting.

### **Communal Lighting**

- 4.2. Survey information has been analysed of communal lighting across 530 sites across the Borough. The survey collected data on the number of internal and external lights (both emergency and non-emergency lights), wattages, and condition of the lights and wiring.
- 4.3. The survey information combined with a range of cost information (see cost assumptions in the Business Case and Procurement Strategy at Appendix 1) has been used to model the financial business case for upgrading the lighting.
- 4.4. The power consumed (wattage) of an LED can be around 50% less than an equivalent fluorescent light. Whilst the capital cost for an LED fitting will be higher than replacing the existing fittings on a like for like basis, significant savings can be achieved through reduced energy bills and operational maintenance costs.

## **Estate Lighting**

4.5 A survey has been carried out into the structural condition of column estate lighting Columns with the following ratings and were modelled for LED upgrades:

1. Red: Replace within 6 months
2. Amber High: Replace within 3 years
3. Amber low: Replace within 6 years

4.6 There are 67 sites listed with columns meeting the above criteria. This totalled 490 columns/lamps to be upgraded. All sites/estates with columns that require upgrading, were also within the scope of the communal lighting survey.

## **5. OPTIONS AND ANALYSIS OF OPTIONS**

5.1 A detailed options appraisal is contained in Appendix1 (Paragraph 3).

## **6. CONSULTATION**

6.1 Extensive consultation has taken place with Tenants and Residents (Repairs Working Group) via the Lighting Sub Group, as improved lighting is a high priority for residents and where possible resident preferences have been considered and incorporated where appropriate into the project. Further details of consultation undertaken by the SRT are given in Appendix 1 (see Paragraph/Section 8).

## **7. EQUALITY IMPLICATIONS**

7.1 The planned improvement and reliability of the new LED Lighting will benefit all residents providing a safer and better illuminated environment. It is not anticipated that there will be any negatives on any groups with protected characteristics under the terms of the equality Act 2010.

7.2 Implications verified/completed by: Peter Smith Head of Policy & Strategy, tel. 020 8753 2206.

## **8. LEGAL IMPLICATIONS**

8.1 As required by Contract Standing Order 8.12, this report is being presented to Cabinet for approval of the Business Case and Procurement Strategy for the proposed procurement of new lighting for communal area and estate lighting on Council housing estates.

8.2 As recognised by the Business Case and Procurement Strategy, this procurement exceeds the EU threshold for works, so the full requirements of the EU public procurement rules need to be followed.



- 8.3 The proposal to follow a full tender process advertised in the OJEU and on the Council's capital-Esourcing tendering portal will secure compliance with the Council's Contract Standing Orders (CSOs). For a contract of this value, CSO 10.2 requires the use of an EU compliant framework agreement, or alternatively the placing of an EU contract notice in OJEU plus advert on the Council's own tender portal.
- 8.4 In the event of the EU public procurement rules ceasing to apply before this tender is advertised, due to Brexit, the process outlined in Appendix 1 will still need to be followed to secure compliance with CSOs, except with an alternative form of advertising to OJEU, as required by any applicable alternative rules such as the World Trade Organisation rules.
- 8.5 Legal services will continue to advise the service area in relation to the proposed evaluation methodology and the most appropriate contract terms.
- 8.6 Due to the estimated value of the contract exceeding £5m, a Cabinet decision will be required to approve the contract award.

Implications verified/completed by: Deborah Down, senior associate with Sharpe Pritchard Solicitors on secondment to the Council [drown@sharpepritchard.co.uk](mailto:drown@sharpepritchard.co.uk)

## 9. FINANCIAL IMPLICATIONS

- 9.1 The HRA Capital Programme 2018-19 to 2021-22 (Second Quarter) Monitoring revised budget was approved by Cabinet on 14 January 2019 includes £702,000 allocated for the estate lighting works.
- 9.2 The proposals will require an estimated budget of £836,000 for the estate lighting works which will be funded to the extent of £702,000 from this current budget allocation. The balance needed for estate lighting (£134,000) and the total estimated requirement for the communal lighting in the blocks (£5.3m), totalling to £5.4m, will need to be met from the unallocated budget pool.
- 9.3 For the communal lighting, the proposed option of replacement with LED lights will result in an additional cost of £2.7m compared to the cost that would have been incurred if replaced with similar fluorescent lights. However, the replacement with LED lights will result in savings in revenue costs by way of reduced energy consumption as well as significantly longer useful asset lives. The savings will have a positive impact on the HRA revenue budget.
- 9.4 The table below summarises the key financial figures:

Elements of works	Approved budget (£)	Estimated spend (£)	Budget shortfall (£)	Unallocated budget balance (£)	Comments
Estate lighting	702,000	836,000	134,000	Quarter 2 approved - <b>£36.3m</b>  Quarter 3 proposed for	The budget shortfall needs to be funded from the unallocated budget pool.  Spend is likely to exceed £836,000, but cannot be

				approval - <b>£29.2m</b>	quantified yet (para 9.5) and will need to be funded from the unallocated budget pool.
Communal lighting	-	5,266,436	5,266,436	Quarter 2 approved - <b>£36.3m</b>  Quarter 3 proposed for approval - <b>£29.2m</b>	This shortfall needs to be funded from the unallocated budget pool.
<b>Total</b>	<b>702,000</b>	<b>6,102,436</b>	<b>5,400,436</b>		

- 9.5 The actual costs of estate lighting is likely to exceed the estimate above due to re-wiring of underground cables. However, these costs cannot be modelled at present due to lack of survey information. Any such additional cost will also need to be funded from the unallocated budget pool.
- 9.6 Cabinet approved the revised capital budget through the Capital Programme 2018/19 to 2021/22 (Second Quarter) Monitoring report on 14 January 2019. This included the unallocated budget amount of £36.3m. The Third Quarter Monitoring report being considered by Cabinet on 4 February 2019 includes an unallocated budget of £29.2m, taking into account Cabinet and Cabinet member decisions since the second quarter.
- 9.7 Project spend will be monitored and reported via the Decent Neighbourhood monthly budget monitoring and the quarterly capital monitoring by Cabinet. It is recommended that project managers maintain project cash flows that are shared with Finance to ensure strong budgetary control.
- 9.8 The works will be rechargeable to leaseholders and recharged across either the block or the estate as applicable. As these cost projections are not presently available and will be calculated in different manners, it is difficult to accurately project the expected revenue arising. However, based on the approximate leaseholder/tenant ratio of 30%, the Council might broadly expect to recharge approximately £1.8m from the projected £6.1m expenditure.
- 9.9 Finance will carry out credit check of the contractors proposed to be selected in future for the works approved by this report.

### **Financial Context**

- 9.10 The plans set out in this report are not expected to adversely impact on the current projected level of HRA cashable reserves. The plans in this report are also not expected to adversely impact on the level of debt in the HRA as measured by the HRA Capital Financing Requirement (CFR), as the Capital Programme has a sufficient budget envelope to fund this contract.
- 9.11 Implications completed by: Sudhir Kafle, Housing Investment Accountant, Contact tel. 020 8753 4391.

9.12 Implications verified by: Emily Hill, Assistant Director, Corporate Finance, tel. 020 8753 3145.

## **10. IMPLICATIONS FOR BUSINESS**

10.1 The successful contractor will be encouraged to use local supply chains for the supply of materials and labour where possible. The Commissioning Manager will work with the Economic Development Team to ensure that economic and social criteria is delivered and to create employment and skills prospects for residents and supply opportunities for local businesses in the Borough.

10.2 Implications verified/completed by: Albena Karameros Programme Manager, tel. 020 79388 583.

## **11. COMMERCIAL IMPLICATIONS**

11.1 The recommendations and the procurement strategy are in line with the Council's Contract Standing orders (CSOs) and the Public Contract Regulations (PCR2015)

11.2 The recommendation is to undertake an OJEU compliant restricted procedure. A TAP will be established to assess the suppliers based on a 60%/40% quality-price ratio. The process will be published via the designated electronic system, capitalEsourcing and advertised in Contracts finder and Tenders Electronics Daily (TED)

11.3 A PIA must be signed off before publishing the tender to be compliant with internal Data Protection processes.

11.4 Procurement will support the officers in ensuring the compliance with the multilot procurement exercise recommended.

11.5 Implications verified/completed by Andra Ulianov, Procurement Consultat, tel. 020 8753 2284.

## **12. SOCIAL VALUE CONSIDERATIONS**

12.1 Social Value, sustainability and environmental issues will be weighted at 15% of the quality questions which is normally at 5%. This satisfies the Social Value Act 2012 requirements. Recommendations would be to have questions specifically addressing the number of apprentices and creation of local jobs during the lifetime of the contract. This will also be included as a KPI in the contractual agreement.

12.2 Implications verified/completed by Ilaria Agueci-procurement Consultant (Projects), tel. 020 8753 4762.

## **13. IT IMPLICATIONS**

13.1 As Option 3 is the recommended option, there are no apparent IT implications resulting from the proposal in this report. If Option 2 were to be considered

which includes remote monitoring via Wi Fi IT Services will be consulted to ensure that all necessary safeguards, permissions, and budgets are in place, and that the new functionality is aligned with the ITS strategy.

- 13.2 IM Implications: If the contractor will be processing data on behalf of H&F, such as names as names and addresses of residents, a privacy impact assessment will need to be completed to ensure all potential data protection risks are properly assessed with mitigating actions agreed and implemented. For example, a contract data protection and processing schedule or an information sharing agreement template and a Supplier Security checklist to ensure the systems used by the contractor comply with H&F's regulatory requirements.
- 13.3 The contract will need to include H&F's data protection and processing schedule. This is compliant with the General Data Protection Regulation (GDPR) enacted from 25 May 2018.
- 13.4 Implications verified/completed by: Karen Barry, Strategic Relationship Manager, IT Services, tel. 0208 753 3481.

## **14. RISK MANAGEMENT IMPLICATIONS**

### **14.1 Health & Safety Management**

Once projects are live, Health and Safety is the number one priority and the first agenda item at monthly progress meetings. Risks are constantly monitored with an on-going action plan as per the live Risk Register.

H&S performance is monitored via KPIs and reports focusing on near misses, minor incidents, employee absence from work due to incident and RIDDOR.

The Construction Phase Plan is used as a management tool to ensure that at each project stage there will be a safe start. This includes a comprehensive site induction to all Contractors including checking of permits and asbestos awareness training.

The Health & Safety file/O&M manual will be developed throughout the delivery of the projects to ensure that those involved in future maintenance work can benefit. The file will be agreed with the Principal Designer and made available to LBHF in both electronic and hard copy. The file will provide detail of any residual hazards, project information, drawings, certificates, guarantees, approvals, details of the project team.

The contractor will also ensure that if there are any dangers they will be clearly identified through signage and all operatives returning to site review the Health and Safety file prior to return, taking necessary precautions in line with site specific RAMS.

- 14.2 **Implications verified by Michael Sloniowski, Risk Manager, tel. 020 8753 2587.**

**15. OTHER IMPLICATIONS**

- 15.1 Details of any specific implications relating to property, business intelligence, health and wellbeing, Section 106 and PREVENT are set out in Appendix 1 (see Paragraph/Section 7).

**16. BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

None

**LIST OF APPENDICES**

Appendix 1 – Business Case & Procurement Strategy

**REPORT RELATING TO  
BUSINESS CASE;  
PROCUREMENT STRATEGY; and  
PROJECT MANAGEMENT AND GOVERNANCE  
FOR COMMUNAL AND ESTATE LIGHTING**

**BUSINESS CASE – WHY THE PROCUREMENT IS NEEDED**

**1. SURVEY INFORMATION**

1.1 The proposal has 2 main parts:

- Communal Lighting
- Estate lighting.

**Communal Lighting**

1.2 Survey information has been analysed of communal lighting across 530 sites across the Borough. The survey collected data on the number of internal and external lights (both emergency and non-emergency lights), wattages, and condition of the lights and wiring.

1.3 The survey information combined with a range of cost information (see section 2 below) has been used to model the financial business case for upgrading the lighting.

1.4 The power consumed (wattage) of an LED can be around 50% less than an equivalent fluorescent light. Whilst the capital cost for an LED fitting will be higher than replacing the existing fittings, significant savings can be achieved through reduced energy bills and operational maintenance costs.

**Estate Lighting**

1.5 A survey has been carried out into the structural condition of column estate lighting Columns with the following ratings and were modelled for LED upgrades:

4. Red: Replace within 6 months
5. Amber High: Replace within 3 years
6. Amber low: Replace within 6 years

- 1.6 There are 67 sites listed with columns meeting the above criteria. This totalled 490 columns/lamps to be upgraded. All sites/estates with columns that require upgrading, were also within the scope of the communal lighting survey.

## **2. FINANCIAL INFORMATION**

### **2.1 MODELLING WORK**

A savings calculator was developed to assess the business case for investing in LED upgrades and lighting controls. Each site was modelled for the investment required and the resulting savings. Summary figures for all sites are presented in tables 1, 2 and 3 below. A screenshot of the model calculator is included in Appendix B. Key outputs from the model are discussed below.

Savings in carbon emissions (through reduced use of grid electricity) have been provided in two forms: SAP 2012 and SAP 10. The standard assessment procedure (SAP) is a government tool used to model energy use. SAP 2012 (currently used by government to assess energy in buildings) uses an older 2012 carbon emissions factor, whereas SAP 10 (currently in development) uses an updated and lower emissions factor – grid electricity is now ‘greener’, or less carbon intensive, than it was in 2012 due to increased renewables. Whilst the SAP10 saving provides a more realistic figure when reporting on carbon savings.

Simple payback is based on the total Capital Expenditure (CAPEX) (LED upgrades, lighting controls and re-wiring where required) divided by the resulting annual cost saving. Additional Capex has also been included for review: the modelling work assumes that as a ‘base case’ existing fluorescent lighting is life expired and requires replacing. Additional CAPEX is therefore the extra cost required for upgrading to LEDs when compared to this base case.

### **2.2 Annual cost savings by installing LEDs are achieved by:**

- Reduced energy consumption (the first column in the tables below). The lower wattages of LEDs and the use of lighting controls (occupancy and daylight controls) reduce annual energy spend.
- LED lights have an expected life of 50,000 hours compared to fluorescent lights (communal areas) of 10,000 hours and high-pressure sodium lights (estate lighting) of 24,000 hours. Therefore, the average re-lamping cost per year is lower for LED lighting.

## 2.3 Summary figures from the model

### Communal lighting

Table 1: Outputs from the model for investing in LED lighting and lighting controls in communal areas on the 530 sites

Energy saving (kWh p.a.)	SAP 2012 carbon saving (tCO2)	SAP 10 carbon saving (tCO2)	Total CAPEX (£)	Additional CAPEX (£)	Annual saving (£)	Simple payback (years)
2,698,483	1,401	629	5,266,436	2,693,946	641,022	8.2

### Estate Lighting

Table 2: Outputs from the model for investing in estate LED lighting and lighting controls on the 67 sites

Energy Saving (kWh p.a.)	SAP 2012 carbon saving (tCO2)	SAP 10 carbon saving (tCO2)	Total CAPEX (LED only*)	Annual Saving (£)	Simple payback (years)
107,419	56	25	142,760	9,668	14.8

\*Cost of column replacement has not been included in this assessment. This would be an additional cost of £693,590.

### Combined – Communal and Estate lighting

Table 3: Combined figures from tables 1 and 2

Energy Saving (kWh p.a.)	SAP 2012 carbon saving (tCO2)	SAP 10 carbon saving (tCO2)	Total CAPEX*	Additional CAPEX (£)	Annual saving (£)	Simple payback (years)
2,805,901	1,456	654	5,409,196	2,693,946	650,689	8.3

It is important to note that there are likely to be further costs associated with the estate lighting due to re-wiring of underground cables. There is currently



no survey information available to model this unknown cost and so it has not been included in this costing exercise.

- 2.4 In summary the capital expenditure for this project is £5,409,109 plus £693,590 for replacement lighting columns giving a total of £6,102,696. After the payback period there should be saving of around £650,000 per year.

## **1. OPTIONS APPRAISAL AND RISK ASSESSMENT**

- 3.1 The first option is to retain the status quo by replacing the existing lighting with similar fluorescent lighting which would cost approximately £2.6 million. However, it is wasteful in terms of energy consumption, ongoing maintenance costs and does nothing to reduce the carbon footprint
- 3.2 Option 2 is to install LED lighting with remote monitoring using Wi-Fi technology to allow staff to monitor bulb failures without having to rely on residents making complaints or estate inspections. Unfortunately, the costs of installing remote monitoring is an additional £3.5 million. For this reason, although it would have been the favoured option it has been discounted for budgetary reasons on economy and affordability grounds.
- 3.3 Option 3 is to replace the existing communal and estate lighting with LED but without remote monitoring. This option will:
- Improve Energy Efficiency
  - Reduce Energy costs
  - Reduce Carbon Footprint
  - Provide a more reliable service for residents
  - Will generate ongoing savings

For the reasons listed above option 3 is the preferred choice.

## **2. THE MARKET**

- 4.1 There is robust and mature market for works of this nature. The tender which will be subject to OJEU and it is expected that it will attract a number of bids from suitably qualified and experienced companies to carry out this work. It is planned to carry out market testing before commencing the procurement process to determine the level of interest and packaging of work.
- 4.2 We have partnered with Capita through the Greater London Authority who have provided free support under the Mayor of London's Re-New Programme to assist officers with formulating the strategy and creating the financial models for this project.

## **PROCUREMENT STRATEGY**

### **3. CONTRACT PACKAGE, LENGTH AND SPECIFICATION**

It is proposed to package the works into 2 lots:

- Communal Lighting
- Estate Lighting

The skills differ between communal lighting and estate lighting and it is proposed therefore that Tenderers can bid for one or both lots. By dividing the contract in this way, it may attract bids from smaller companies for the estate lighting package.

It is proposed that the contract be phased over 2 years and it is envisaged that the successful contractor would employ 2 teams working concurrently to complete the contract during this period.

### **4. SOCIAL VALUE, LOCAL ECONOMIC AND COMMUNITY BENEFITS**

- 6.1 The proposal will see local companies involved in the supply of materials. It is envisaged that there will be opportunities for direct local employment and the creation of apprenticeships, and tenderers' proposals with regard to social value will form of the evaluation process.
- 6.2 New more efficient lighting will reduce energy consumption, costs and the carbon footprint.

### **5. OTHER STRATEGIC POLICY OBJECTIVES**

- 7.1 The Housing Capital Programme seeks to meet the corporate strategic objectives of improving the quality of the Borough's Housing stock. The LED lighting replacement programme will help to provide safe protected communal areas and contribute to the Green Agenda.

### **6. STAKEHOLDER CONSULTATION**

- 8.1 Finance, legal and procurement and other stakeholder departments have been consulted in the compilation of this report. Residents have been consulted through the RWG Lighting sub group and have been kept fully informed throughout the process. Leaseholders will be consulted through the Section 20 process:
- 8.2 Residents will be written to advising them of the proposed works and leaseholders will be served with Section 20 Notices.
- 8.3 The cost to leaseholders is calculated in line with the terms of the lease as a set percentage of the total cost of the works.

8.4 The required contribution from leaseholders for the LED lighting upgrades has been modelled. This is for both communal areas and estate lighting. Two scenarios are modelled:

- Contribution from leaseholders if they are consulted under Section 20
- Contribution from leaseholders if they are not consulted under Section 20, i.e. they will pay £250 contribution only per dwelling. H&F would then pay the excess cost.

If consulted, the value of leaseholder contribution is calculated based on 'liability weightings'. These detail the percentage contribution per leaseholder towards work at the site/estate. This contribution is variable per site and so site-by-site modelling was carried out to arrive at the total contribution. The headline results from the modelling are shown below in Table 4:

*Table 4: Leaseholder contribution to deliver the full scope of works*

	Total Value
No. Leaseholders	4,869
Lighting CAPEX* (£)	6,090,936
S20 LH contribution (£)	2,300,542
Excess paid by LBHF if S20 not done (£)	1,122,607

\*includes the cost of columns for estate lighting.

The results from the modelling show that there is a clear business case to consult with leaseholders under Section 20. If the consultation does not take place, and H&F charge leaseholders the maximum £250 only, there would be an excess of £1,122,607 remaining unrecovered by the Council, at an overall loss to the Housing Revenue Account.

8.2 Growth and Place's commitment to consult will ensure that tenants are formally notified of works at the same time as leaseholders are sent Notice of Estimates. There will be further consultation meetings with the Repairs Working Group. A public meeting will be arranged for residents prior to start on site, where the contractor will be introduced, and details of the work will be explained and residents will have the opportunity to ask questions. Ward Councillors and officers from Growth and Place including leasehold services will be invited to this meeting.

- 8.3 There is a statutory obligation to consult with Leaseholders in accordance with the requirements of section 20 and 20ZA of the Landlord and Tenant Act 1985 (“LTA 1985”) and Schedule 4 Part 2 of the Service Charges (Consultation Requirements) (England) Regulations 2003 (“the Regulations”). Schedule 4 consultation is a two-stage process and requires the service of a Notice of Intention and then a Notice of Proposal. These two stages straddle the tendering process and leaseholders can nominate the name of an alternative contractor they would like the Council to approach for tender during the first phase.
- 8.4 There will be 2 separate packages of work:
- Communal Lighting
  - Estate Lighting
- 8.5 Orders will not be placed for the work until the consultation is satisfactorily concluded.
- 8.6 The Council offers leaseholders a range of payment options to assist with the payment of the estimated invoices. These include a discount of 2.5% for early settlement of bills and a variety of interest free options dependent on the size of the invoice.

Leaseholders who live at their property or do not own more than one additional property within the borough qualify for extended interest-free repayment plans of up to 4 years (subject to final charge). Where required, the plans can be extended out by a further 6 years although this period is interest-bearing at 0.25% above the Council’s variable rate of borrowing. All options are explained in the ‘Paying for Major Work’ leaflet which is available for leaseholders on the Council’s web site as well as from Leasehold Services. Leaseholders will also be advised that they may find comparable products within the high street marketplace at banks and building societies.

- 8.7 Officers from Property Services estimate that individual recharges, inclusive of fees, will range from 1.05% to 4.38%. The rechargeable element of the agreed Task Price will be verified by officers from leasehold services before S20 notices are issued.

## **7. PROCUREMENT PROCEDURE**

- 9.1 The estimated cost of this project is above the OJEU threshold and consequently a full OJEU procurement process is required and it is proposed to use the 2 stage restricted process. An EU compliant framework was considered but was discounted due to leaseholder implications.

## **8. CONTRACT AWARD CRITERIA**

10.1 Prices obtained through the tender procedure will be evaluated alongside quality aspects and methodology for carrying out the work.

10.3 It is proposed to use a 60/40 quality/ price split with 7 quality focussed Questions as follows:

- Understanding of the Council’s requirements and proposed methodology for carrying out the works 25%
- Health and Safety Plan and Management 20%
- Resources to be deployed on the contract and experience of the proposed management and supervisory staff 20%
- Social Value, sustainability, and environmental issues 15%
- Management of sub-contractors 10%
- Resident Engagement and Safeguarding of vulnerable residents 10%

## **PROJECT MANAGEMENT AND GOVERNANCE**

### **11. PROJECT MANAGEMENT**

The SRT has been led by the Head of Mechanical and Electrical, Growth and Place reporting to the Head of Property Services who will have overall responsibility for the project management of this scheme. The team includes electrical engineers and representatives from Housing’s Asset Management and leasehold service teams. Support will be provided by the Electrical Engineering Team who will oversee the project assisted by a Clerk of Works who will supervise the day to day work.

### **INDICATIVE TIMETABLE**

#### **Projected Programme Milestones**

1. Soft Market Testing – January 2019
  2. Preparation of Contract Documents January - April
  3. Publish OJEU/Contracts Finder May
  4. Receive expression of Interest June
  5. Invite Tenders July
  6. Receive Tenders August
  7. Tender Evaluation September
  8. Award of Contract Cabinet Report November
  9. Award of Contract /Section 20 December
  10. Contract Lead in January 2020
  11. Start on Site February/March2020
-

## APPENDICES

### Appendix A – Modelling Assumptions

#### Communal lighting assumptions

Items	Value	Unit
Average electricity tariff	0.09	£/kWh
Electricity carbon factor (Part L 2013 / SAP 2012)	0.519	kgCO2/kWh
Electricity carbon factor (draft SAP 10 factor)	0.233	kgCO2/kWh
Ballast losses in existing lights	10%	
LED light power drops to X% when PIR not activated - internal	25%	
LED light power drops to X% when PIR not activated - external	100%	
Percentage of time at full power when PIR and daylight controls added - internal	15%	
Percentage of time at full power when PIR and daylight controls added - external	100%	
Basecase run hours for internal lamps taken from SiteDate tab but for external lamps are assumed to be 50% with daylight control i.e.	12	hours per day
Cost of standard fluorescent 2D lamp	7.2	£
Cost of standard 28W fluorescent IP65 square bulkhead	121.2	£
LED retrofit - Quadretro	72	£
LED new fitting - Quadrant	132	£
Integral emergency – additional	72	£
Integral self-test emergency – additional	96	£
m/w sensor & daylight control – additional	80	£
Labour cost - lamp replacement / LED retrofit	37	£
Labour cost - new LED fitting	57	£
Supply & labour cost of new wiring per fitting	182.73	£
<b>Manual monitoring &amp; inspection costs</b>		
Cost of lighting check	60	£ per visit
Two site visits per year means	1060	visits
Cost of monitoring visits	63600	£ p.a.
No. of emergency fittings	7389	
Monitoring cost per emergency fitting	8.607	£ p.a.
Assumed physical inspections required with RM	25%	
<b>Wiring</b>		
1.5mm <sup>2</sup> T&E cable (per meter)	0.39	£
Average meters per fitting	7	M
Average supply cost for wiring per fitting	122.73	£
Cost of accessories for re-wiring	120	£

## **Estate lighting assumptions**


<b>Items</b>	<b>Value</b>	<b>Unit</b>
Column and LED replacement (labour and parts)	1700	£
Pre Wattage (High Pressure Sodium)	70	W
Post Wattage (LED)	30	W
Unit electricity cost	0.09	£/kWh
Ballast losses HPS	15	%
Losses LED	7	%
Operational hours pre	4,368	Hours
Operational hours post (Trimming = 40mins less per day)	4,125	Hours
Raise and lower cost	3,350	£
HPS life	24,000	Hours
LED life	50,000	Hours
Lamp life expectancy HPS	5.5	Years
Lamp life expectancy LED	12.1	Years
Cost to supply and install lantern (HPS or LED)	300	£
Re-lamp cost HPS	15.49	£
Additional re-lamp cost for HPS over the LED life	7,590	£

## Appendix B – screen shot of the savings calculator from the model

ENERGY CALCULATIONS		
Type	T8 2D	LED 2D
Lamp wattage (full power)	28	15
Lamp wattage (reduced power)	0	3.75
Weighted average battery wattage	5	5
Ballast losses wattage	2.8	0
<b>Internal non-emergency lighting</b>		
Number of fittings	0	0
Daily hours at full power	16	2.4
Daily hours at reduced power	0	13.6
Days per week	7	7
Weeks per year	52	52
Total hours p.a. at full power	5,824	874
Total hours p.a. at reduced power	-	4,950
Total light average full power (W)	30.8	15.0
Total light average reduced power (W)	0	3.75
Total energy consumed (kWh p.a.)	-	-
<b>Internal emergency lighting</b>		
Number of fittings	6	6
Daily hours at full power	16	2.4
Daily hours at reduced power	0	13.6
Days per week	7	7
Weeks per year	52	52
Total hours p.a. at full power	5,824	874
Total hours p.a. at reduced power	-	4,950
Total light average full power (W)	35.8	20.0
Total light average reduced power (W)	5	8.75
Total energy consumed (kWh p.a.)	1,251	365
<b>External non-emergency lighting</b>		
Number of fittings	0	0
Daily hours at full power	12	12
Daily hours at reduced power	0	0
Days per week	7	7
Weeks per year	52	52
Total hours p.a. at full power	4,368	4,368
Total hours p.a. at reduced power	-	-
Total light average full power (W)	30.8	15.0
Total light average reduced power (W)	0	3.75
Total energy consumed (kWh p.a.)	-	-
<b>External emergency lighting</b>		

PARAMETERS FOR COSTING		
Condition of fitting (Excellent, Good, Poor) (1-3)	2	Keep same fitting
Condition of wiring (Excellent, Good, Poor) (1-3)	2	Keep same wiring
No. floors in building	2	
Remote monitoring to be included in costing?	No	
No. data repeaters (1 per 3 floors or 0 if not monitoring)	-	
<b>FINANCIAL CALCULATIONS</b>		
<b>Capital costs</b>	2D	LED 2D
Supply of new / retrofit lights (non-emergency)	-	-
Supply of new / retrofit lights (emergency)	619	1,488
Cost of labour to install (all - emergency & non-emergency)	222	222
Cost of new wiring (if necessary - all)	-	-
Supply, install & commission of remote monitoring (if required)	-	-
Total cost of relamping vs new LED lighting	841	1,710
Total cost of remote monitoring (if required)	-	-
Total CAPEX	841	1,710
Additional CAPEX	-	869
<b>Running costs</b>		
Energy costs £ p.a.	113	33
Lamp life expectancy (run hours)	10,000	50,000
Lamp life expectancy (years given usage level)	1.1	5.7
Re-lamping cost per year including labour (£ p.a.)	232	115
Emergency lighting checks	51.6	51.6
Software & cloud storage	-	-
Remote data management - assume equiv to time saved managing	-	-
Total cost of ownership (£ p.a.)	397	199
Total saving from LED system (£ p.a.)	-	197
<b>Payback</b>		
Simple payback	-	4.4



<p style="text-align: center;"><b>London Borough of Hammersmith &amp; Fulham</b></p> <p style="text-align: center;"><b>CABINET</b></p> <p style="text-align: center;"><b>4 MARCH 2019</b></p>	
<p><b>BUSINESS CASE &amp; PROCUREMENT STRATEGY IN RELATION TO THE PROCUREMENT OF A LANDSCAPE CONTRACTOR FOR FRANK BANFIELD PARK</b></p>	
<p><b>Report of the Cabinet Member for the Environment – Councillor Wesley Harcourt</b></p>	
<p><b>Open Report</b></p>	
<p><b>Classification - For Decision</b> <b>Key Decision: Yes</b></p>	
<p><b>Consultation:</b> Friends of Frank Banfield Park</p>	
<p><b>Wards Affected:</b> Fulham Reach</p>	
<p><b>Accountable Director:</b> Mahmood Siddiqi, Director for Highways and Transport, Leisure and Parks</p>	
<p><b>Report Author:</b> Heather Marsh, Parks Projects Officer</p>	<p><b>Contact Details:</b> Tel: 07468 711527 E-mail: heather.marsh@lbhf.gov.uk</p>

## 1. EXECUTIVE SUMMARY

- 1.1. This report requests approval for the Procurement Strategy for a contractor to deliver landscape works to improve Frank Banfield Park, including the creation of a community garden. The works will be wholly funded using S106 monies, previously agreed by Cabinet and confirmed by the Planning department.
- 1.2. This project will contribute to council priorities and aspirations, including becoming the country's greenest borough, and 'doing things with residents, not to them'.
- 1.3. The strategy for the procurement of the contract is set out in Appendix 1 attached.

## **2. RECOMMENDATIONS**

- 2.1. That in accordance with the Council's Contracts Standing Orders 8.12 and 10.2 Cabinet approves the Business Case & Procurement Strategy for the procurement of a contractor complete landscaping works at Frank Banfield Park as set out in Appendix 1.
- 2.2. To note that the works have an estimated value of £300,000.

## **3. REASONS FOR DECISION**

- 3.1. Hammersmith and Fulham Council is committed to providing high quality outdoor space for residents and a key aspiration is to become the greenest borough in the country. This includes enhancing biodiversity and creating spaces for wildlife through 'green corridors'.
- 3.2. The proposed landscape works to Frank Banfield Park supports these aspirations. The planned investment supports Council priorities of 'Taking pride in Hammersmith and Fulham' and 'Doing things with residents, not to them', as this is very much a resident-led project.
- 3.3. The proposal to create a community garden and improve planting, seating, and other amenities, will benefit all park users, including local residents and staff and visitors to nearby businesses and Charing Cross Hospital.
- 3.4. Several schools also lie within a short distance of the park and it is expected that pupils will be offered the opportunity to be involved directly with the maintenance of the community garden and to use this space for learning. Inspiring young people to understand and care for the environment is critical to addressing the challenges we face now and in the future.
- 3.5. Fifteen of the borough's parks have Green Flag status. Frank Banfield park obtained a Green Flag for the first time in 2018, and improving the park will contribute to safeguarding this award of excellence in future years.
- 3.6. Approving this report will allow the project to proceed as efficiently as possible. The works will be tendered over Spring/ Summer 2019 and be completed within the 2019-20 financial year. This project has been in development since 2016 and Parks officer have worked closely with the Friends of Frank Banfield park to agree improvements.
- 3.7. The procurement of the works will comply with the requirements contained in Contract Standing Orders to seek Cabinet approval before commencing procurement of a contract in excess of the £100,000 threshold.

#### **4. PROPOSAL AND ISSUES**

- 4.1. Funds to improve Frank Banfield park were approved by Cabinet in April 2016 (Cabinet 11.04.2016, 205/16 Section 106 expenditure, item 5.13) and confirmed by the Planning department in Autumn 2018.
- 4.2. The Friends of Frank Banfield park proposed the creation of a community garden within the park, and have worked closely with Parks officers to agree a brief for this, and other improvements to the park. They have also committed a considerable amount of time to the process of selecting a designer, assisted by Parks officers. A landscape architect has been appointed and is currently drawing up design and tender documents for improvements, including the creation of a community garden.
- 4.3. Both the Friends of Frank Banfield park and the parks department are keen to move this project into the delivery phase. Approval of this report will allow the project to proceed promptly. Tender documents will be ready in Spring 2019, allowing the tender to run over Spring/ Summer and the winning tenderer to be appointed in the Autumn. This will allow landscaping works to take place between Autumn 2019 and Spring 2020.
- 4.4. Prior to tender, the cost of proposed works will be assessed by a quantity surveyor to ensure that they can be procured within the available budget.
- 4.5. The tender will be run as an open tender on capitalEsourcing, as required by Council Standing Orders. A Procurement Strategy for the works is included with this report as Appendix 1.
- 4.6. A Privacy Impact Assessment has been completed and is included as Appendix 2.

#### **5. OPTIONS AND ANALYSIS OF OPTIONS**

- 5.1. **Option 1:** Undertake a competitive procurement process for the landscape design and works and invite quotes from multiple contractors. Appendix 1 sets out the commercial and procurement considerations for this option.
- 5.2. **Option 2:** Fail to appoint a contractor or do nothing. A commitment has been made to local residents to redesign and open this space for public use. The council will face reputational damage, from park users and stakeholders if this is not delivered.
- 5.3. **Option 3:** Procure use of existing framework. However the frameworks detailed in the Crown Commercial Services, East Shires Purchasing Organisation and Yorkshire Purchasing Organisation have been reviewed and no applicable framework was identified.
- 5.4. Officers recommend progressing option 1 and further details of the options and recommendations are set out in Appendix 1 – Procurement Strategy.

## **6. CONSULTATION**

- 6.1. The creation of a community garden was proposed by the Friends of Frank Banfield Park, who have driven this project from inception. They have committed a considerable amount of time to formulating the project brief and selecting a designer. This project is an example of the Council priority, 'doing things with residents, not to them'.
- 6.2. Parks department officers will continue to work local residents throughout the delivery stage of this project.

## **7. EQUALITY IMPLICATIONS**

- 7.1. Frank Banfield park is a public open space and is accessible to all. It is not anticipated that there will be any negative impact on any groups with protected characteristics, under the terms of the Equality Act 2010, from the creation of a community garden at Frank Banfield Park.
- 7.2. *Implications completed by Peter Smith, Head of Policy & Strategy, tel. 020 8753 2206.*

## **8. LEGAL IMPLICATIONS**

- 8.1. This report is seeking Cabinet approval for the Procurement Strategy appended to the report at Appendix 1. This is a requirement of Contract Standing Order (CSO) 8.12.
- 8.2. The contract proposed for tender is classified under the Public Contracts Regulations 2015 as partly works (as listed in Schedule 2 of the 2015 regulations) and partly services (any element that is not works). The 2015 Regulations state that for such mixed contracts, then the classifications will be according to the main subject-matter. Here the service department have confirmed that the main subject-matter is works. Works contracts have a higher threshold before the 2015 Regulations apply than is the case for services contracts, so the contract is below the EU threshold
- 8.3. The Procurement Strategy attached at Appendix 1 contains the information required by CSO 8.12. Under CSO 10.2, table 10.2c, the procurement route required for a non-housing works contract is either use of a framework or a tender exercise. For this value of procurement, it would be possible to choose either a single-stage or two-stage procurement route (the latter has a pre-qualification stage) but the decision has been taken to use an open procedure.
- 8.4. As set out in CSO 17.2, once the tenderers are evaluated, the award decision can be taken by the Cabinet Member.
- 8.5. *Implications verified/completed by: Deborah Down, senior associate with Sharpe Pritchard solicitors, on secondment to the Council*  
[ddown@sharpepritchard.co.uk](mailto:ddown@sharpepritchard.co.uk)

## 9. FINANCIAL IMPLICATIONS

- 9.1. It is estimated that the works will cost £300k and will be fully funded from S106. Planning has provided the required confirmation that the works expenditure on this scheme is eligible and the funds have been set aside (AKA716).
- 9.2. Prior to tender, Surveyors will assess whether the works can be completed within the available funds. Should there be a need for additional funding officers will need to seek further funding from S106 or re-specify the works.
- 9.3. *Implications completed by: Sally Swaray (Principal Accountant 02087532524)*
- 9.4. *Implications verified by Emily Hill – Assistant Director (Corporate Finance), Tel. 020 8753 3145.*

## 10. IMPLICATIONS FOR LOCAL BUSINESS

- 10.1. The project is expected to create a better environment for the local community, including any nearby businesses and their employees.
- 10.2. The landscape architect is not a local practice but was selected via an open tender and registered with the Landscape Institute (the professional body for landscape architects). No submissions were received from practices within the borough but the process was co-designed with the local community.
- 10.3. The next stage of the project will involve procuring contractors to deliver the improvements and there might be opportunities to benefit the local economy, especially around involving local suppliers and contractors. The Local Supply project that the council already runs will help with identifying and engaging local suppliers in the pre-tender stage.
- 10.4. Implications verified/completed by: Albena Karameros, Economic Development Team, tel. 020 7938 8583 There are no implications for local businesses.

## 11. COMMERCIAL IMPLICATIONS

### Contract Award Criteria

- 11.1 In assessing the tenders, it is proposed that the submissions will be judged 60% on quality and 40% on price.

### **Quality proposals (60%) to be based on:**

Bidders will be expected to provide information regarding: *programme of works, risk management, method statement and local investment.*

**Price proposals (40%) to be based on:**

*Bidders will be expected to provide a single cost for carrying out the construction works.*

**Procurement Procedure**

- 11.2 The estimated value of this project is £300k. This is under the statutory financial thresholds for works currently set at £4,551,413. According to Contract Standing Orders (CSOs) 10.2, the method for selecting potential bidders for tenders in the first instance is to call off from an existing framework agreement where one exists otherwise seek public quotations using the e-tendering system and the Government's "Contract Finder" portal.
- 11.3 A Tenders Appraisal Panel will consist of a minimum of three officers who will evaluate the tender returns. All evaluation and moderated scored shall be logged on the e-tendering system.
- 11.4 Implications verified by: Joanna Angelides, Procurement Consultant, tel. 020 8753 2586 on behalf of Simon Davis.

**12. SOCIAL VALUE CONSIDERATIONS**

- 12.1 It is suggested that the social value, sustainability, and environmental issues will account for 5% of the quality awarding criteria. One Key Performance Indicator shall be set around social value to ensure accurate management. For example, one aspect to consider in terms of added value can be the commitment from the supplier to support the Friends of Frank Banfield Park gardening group of local volunteers to help maintain the garden.

Implications verified/completed by: Ilaria Agueci, Procurement Consultant, tel. 020 8753 2284.

**13. IT IMPLICATIONS**

- 13.1. IT Implications: There are no apparent IT implications resulting from the proposal in this report.
- 13.2. IM Implications: Following award, if the new contractor will be processing data on behalf of H&F, a Privacy Impact Assessment will need to be completed to ensure all potential data protection risks are properly assessed with mitigating actions agreed and implemented. For example, a contract data protection and processing schedule or an information sharing agreement template and a Supplier Security Checklist to ensure the systems used by the contractor comply with H&F's regulatory requirements.
- 13.3. The new contract will need to include H&F's data protection and processing schedule. This is compliant with the General Data Protection Regulation (GDPR) enacted from 25 May 2018.

13.4. *Implications to be verified/completed by: Karen Barry, Strategic Relationship Manager, IT Services, tel 0208 753 3481*

#### **14. RISK MANAGEMENT**

14.1 All parks projects have a dedicated project manager within the Parks team and are overseen by a project board which meets on a monthly basis.

14.2 The report proposes a procurement strategy to appoint a suitably skilled and experienced landscape contractor to improve amenities at Frank Banfield park for local residents. Failing to do so would mean that a commitment to local residents to redesign and open this space for public use would not be delivered, leading to loss of reputation to the Council.

14.3 *Implications verified/completed by: David Hughes on tels. 07817 507695 and 0207 361 2389*

#### **15. BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

None

#### **LIST OF APPENDICES:**

**Appendix 1: Procurement Strategy**

**Appendix 2: Privacy Impact assessment**

**APPENDIX 1:**  
**REPORT RELATING TO BUSINESS CASE; PROCUREMENT STRATEGY; and PROJECT MANAGEMENT AND GOVERNANCE=**  
**APPROVAL TO PROCURE A LANDSCAPE CONTRACTOR FOR FRANK BANFIELD PARK**

**BUSINESS CASE**

**1. BUSINESS CASE – WHY THE PROCUREMENT IS NEEDED**

- 1.1 The proposed improvements to Frank Banfield park include the installation of paving and street furniture, the development of an area for community gardening, bespoke structures and artwork, along with shrub and tree planting. Improving amenities at Frank Banfield park for local residents will require the appointment of a suitably skilled and experienced landscape contractor.

**2. FINANCIAL INFORMATION**

- 2.1 The budget available for this contract is £300k. Designs will be developed with this figure in mind and an accurate estimate of the cost of the contract will be supplied by a qualified Quantity Surveyor. Any value engineering required to ensure that tenders are returned within budget will be carried out pre-tender, in agreement with the council's project manager. Funding will be through S106 contribution, as agreed by Cabinet in April 2016.

**3. OPTIONS APPRAISAL AND RISK ASSESSMENT**

- 3.1 The following options have been reviewed:

**Option 1:** Approval to undertake a competitive procurement process for the landscape design and works and invite quotes from multiple contractors and improve local resident's satisfaction. Appendix 1 sets out the commercial and procurement options, together with an analysis of these options.

**Option 2:** Fail to appoint a contractor or do nothing. A commitment has been made to local residents to redesign and open this space for public use. The council will face loss of reputation, from park users and stakeholders if this is not delivered.

**Option 3:** Use of an existing Framework. The frameworks detailed in the Crown Commercial Services, East Shires Purchasing Organisation and Yorkshire Purchasing Organisation have been reviewed and no applicable framework was identified.

- 3.2 Overall, the route that best meets the Council's objectives of flexible, rapid delivery that provides value for money is to procure a contractor through an open public procurement process (Option 1).



#### **4. THE MARKET**

- 4.1. The market for Landscape installation is well developed, with many suitable organisations on CapitalESourcing. It is expected that the Council will receive strong tender response to this opportunity. The contract will also be advertised on Contracts Finder.

### **PROCUREMENT STRATEGY**

#### **5. CONTRACT PACKAGE, LENGTH AND SPECIFICATION**

- 5.1 The works will be let as one contract. The contract will be for 6 months approximately, which will be sufficient to complete the landscape installation work. This will be followed by 12 months defects liability period for hard landscaping and an establishment period for planting.

#### **6. SOCIAL VALUE, LOCAL ECONOMIC AND COMMUNITY BENEFITS**

- 6.1 The Friends of Frank Banfield Park intend to be closely involved in the project. Once the community garden has been installed, the 'Friends' will develop a gardening group of local volunteers to help maintain the garden.

#### **7. OTHER STRATEGIC POLICY OBJECTIVES**

- 7.1 The award of the contract aligns with Hammersmith & Fulham's commitment to providing high quality outdoor green space for its local residents. The proposed improvements will contribute to community safety, through encouraging the use of a space which was previously closed to the public and was becoming a focus for anti- social behaviour.
- 7.2 Tenderer's will be required to demonstrate their compliance with the London Living wage.

#### **8. STAKEHOLDER CONSULTATION**

- 8.1 A key stakeholder group for this project are the 'Friends of Frank Banfield Park' who have shaped this project from the outset. Council officers have worked closely with the 'Friends' to articulate the desired outcomes from this project and facilitate the development of the community garden. During the design process, the stakeholder group will be widened to include residents, local schools and the nearby Charing Cross hospital.
- 8.2 This project is very much in the spirit of council values, doing things with residents rather than to them

## **9. PROCUREMENT PROCEDURE**

- 9.1 An open procurement procedure will be used to ensure the most economically advantageous tender is awarded the contract. The procedure will be run as an open process on the capitalSourcing system. This is in line with contract standing orders for non-housing works contracts valued at over £250k (see table 10.2c in Contract Standing Orders).
- 9.2 With an estimated value of £300k the financial threshold for this scheme is below the statutory amount for works contracts. For below threshold procurements, the Public Contracts Regulations 2015 (as amended) require the opportunity to be advertised in the UK's Contracts Finder website.

## **10. CONTRACT AWARD CRITERIA**

- 10.1. Qualification questions will be asked to determine the contractor's eligibility against certain minimum standards. These will include membership of the British Association of Landscape Industries, assurance that suitable levels of insurance are in place and that employees and subcontractors are paid the London Living wage as a minimum.
- 10.2. Tenderer's passing the qualification stage will be asked to submit responses to quality questions and provide a lump sum price for the works. The percentage split between these sections will be 60% quality and 40% price.
- 10.3. Quality questions will include the submission of a programme of works and a method statement for the works. Tenderer's will be asked about how they will assess and manage risk for the project, what opportunities there will be for local businesses and how they will engage with local groups during the construction phase.

## **PROJECT MANAGEMENT AND GOVERNANCE**

### **11. PROJECT MANAGEMENT**

- 11.1. Qualifying tenders will be evaluated by Parks officers and a member of the Parks Projects team. Based on the criteria at item 10 and a satisfactory creditsafe report, the winning tenderer will be appointed to fulfil the contract on the approval of the Cabinet Member, as required by Contract Standing Orders.
- 11.2. The Parks Projects team will provide project management services, including communication as follows:
- 11.3. **Members:** Regular updates will be provided by the Lead Director for Transport, Highways, Leisure & Parks to the Cabinet Member for Environment– Councillor Wesley Harcourt.

- 11.4. **Internal:** The Parks & Leisure Service will manage this process and ensure that internal colleagues in Finance, Procurement and Legal are well informed of the progress and any decisions made.
- 11.3 **External:** The Council will work closely with local community organisations and keep them updated on the nature of the works.

## 12. **INDICATIVE TIMETABLE**

- 12.1. The table below sets out key milestones for the project.

<b><i>Stage description</i></b>	<b><i>Actioned by</i></b>	<b><i>Completed by</i></b>
Open tender on capitalEsourcing (4 weeks)	Parks projects	23 <sup>rd</sup> June 2019
Tender evaluation	Parks officer, Parks projects	30 <sup>th</sup> July
Approval to award contract	Cabinet Member	20 <sup>th</sup> September
Contract commencement	Landscape contractor	1 <sup>st</sup> October
Contract completion	Landscape contractor	31 <sup>st</sup> March 2020
Defects liability and establishment period	Landscape contractor	Feb 2021

## 13. **CONTRACT MANAGEMENT**

- 13.1 The contract will be managed by a dedicated project manager within the Parks Projects team. The project board consists of the Head of Leisure and Parks, Parks manager and Parks officers. The Project board meets every month to review progress and spend, assess risks and mitigate issues on all projects within the parks.

# Appendix 2 - Tri-Borough Privacy Impact Assessment

## Section 1 - Assessment Details

1.1	<b>Title of Project/Programme/Process</b>	Improvements to Frank Banfield park, including the creation of a community garden
1.2	<b>Date of Completion of form</b>	12.12.18
1.3	<b>Name of person completing form</b>	Heather Marsh
1.4	<b>Your job title</b>	Parks Projects officer
1.5	<b>Your telephone number</b>	07468 711527
1.6	<b>Your directorate</b>	Residents Services
1.7	<b>Your Business Unit</b>	Leisure and Parks
1.8	<b>Your Team</b>	Parks Projects

### 1.9 What is the aim of the project, and what activities are involved?

**Response:**

The aim of this project is to improve amenities in Frank Banfield park, through installing new surfacing, planting and street furniture. A contract to carry out the works will be tendered using an open tender. The winning tenderer will be appointed and will carry out the landscaping works.

**Guidance Note – 1.9**

Please specify if this involves the procurement, commissioning or upgrade of a service or technology, or other

The more detail that is included in this section, the easier it will be to assess the impacts of the project. Outputs of the project must be clearly identified.

### 1.10 Initial Screening Questions

#	Question	Yes	No
1	Will the project involve the collection of new information about individuals?		N
2	Will the project compel individuals to provide information about themselves?		N
3	Will information about individuals be disclosed to organisations or people who have not previously had routine access to the information?		N
4	Are you using information about individuals for a purpose it is not currently used for, or in a way it is not currently used?		N
5	Does the project involve you using new technology which might be perceived as being privacy intrusive? For example, the use of biometrics or facial recognition.		N
6	Will the project result in you making decisions or taking action against individuals in ways which can have a significant impact on them?		N
7	Is the information about individuals of a kind particularly likely to raise privacy concerns or expectations? For example, health records, criminal records or other information that people would consider to be particularly private.		N
8	Will the project require you to contact individuals in ways which they may find intrusive?		N

Did you Answer **YES** to any of the above? If so Section 2 **MUST** be completed!

Completed By.....Heather Marsh.....  
 Position.....Parks Projects officer.....  
 Signature.....H J Marsh.....  
 Date .....12.12.2018.....

## Section 2 – Privacy Impact Assessment Checklist

**2.1 Has a PIA/Checklist been undertaken for this initiative before? If so, please give dates and provide copy (where possible)**

**Response:**

**2.2 Please give details of any legal requirements for this project, e.g. government initiative, specific legislation for example: - Crime and Disorder Act 1998.**

**Response:**

**Guidance Note – 2.2**  
It is vital that any legislative requirement is outlined in this section; it will provide a strong support for the use of personal or sensitive personal data.

**2.3 The project will use (process) the following data**

Title of Dataset	Data Source		Is the Data Sensitive Personal Data (Y/N)
	Borough	System	

**Guidance Note – 2.3**  
Please include all the data sets and their sources that will be used in the project. Even though some sources may not contain personal data, when combined with other data sets used these may create a new data set that will enable an individual to be identified.  
  
Where the data used is either from CHS or ASC, the appropriate Caldicott Guardian must be consulted.  
  
**NOTE:** For definitions of personal and sensitive personal data please refer to glossary at the end of the document.

**2.4 How will that data be used and have the subjects of that data been informed of and/or provided consent for this purpose?**

Title of Dataset	Metadata Element	Reason for use of Data	Has consent been obtained for use (Y/N)

**Guidance Note – 2.4**

Any use (processing) of personal data has to be undertaken in a fair and lawful way. Data used must also be relevant and not excessive. Therefore the project must be able to demonstrate exactly why the use of a data set is important.

**Note:** this cannot be just a “fishing” exercise

Obtaining informed consent from the individual to use their data for the specific purpose will provide a robust legitimate reason for using the data. Not having consent does not prevent the use of data, but you should consult with your local information manager if you are seeking to use data without consent.

**Note:** Metadata Elements are the individual data parts of a dataset, for example a dataset of client information may contain metadata elements such as “forename, Surname, Address, Age” each of which potentially could be extracted individually

**2.5 Who do you intend to share the data with (name all intended internal and external recipients)?**

Data Title	Who be given access to the data	reason for access

**Guidance Note – 2.5**

All data controllers must be able to trace when and where the data was collected and also who has been provided with access to the data.

**2.6 When obtaining and/or sharing the data how will it be transferred? E.g. non-encrypted email, encrypted email etc.**

**Applicant response:**

**Guidance Note – 2.6**

Personal data must be transferred in a safe and secure way. In this section you must outline the exact methodologies used in the project for moving/transferring data.

**2.7 How will the data be stored, for how long will the data be stored, and what security arrangements are in place to maintain will exist in respect of the data?**

**Response:**

**Guidance Note – 2.7**

Have you consulted / implemented where applicable, your borough’s:

- Records Management Policy
- Retention Schedule

Information Security Standards:

- Have you consulted (and received sign-off from) the Information Security Manager (see contact details at end of this document)

**2.8 What are the risks to the individuals whose data is being used in this project**

Privacy Risks	Impact (i)	Likelihood (l)	Risk rating (i x l)	Mitigation
<p>The data subjects (service users, customers, staff) have not been <b>notified of or consented to</b> (principle 1) this proposed <b>purpose</b> (principle 2) to process their personal and sensitive data.</p> <p><i>[Insert the risk description here re: the principles 1 and 2 above or mark as N/A]</i></p>				<p><i>[Insert activities, controls or measures already established or planned – to help, ask yourself these questions: How will individuals be told about the use of their personal data? Do you need to amend privacy notices? Does your project clearly state it’s purpose of using this information?]</i></p> <ul style="list-style-type: none"> <li>• ...</li> </ul>
<p>The personal and sensitive data sets to be handled are <b>adequate, relevant and not excessive (principle 3)</b> for the purposes of task in hand.</p> <p><i>[Insert the risk description here re: the principles 3 above or mark as N/A]</i></p>				<p><i>[Insert activities, controls or measures already established or planned – to help, ask yourself these questions: is there any information you do not need access to? Are you collecting only the information you need?]</i></p> <ul style="list-style-type: none"> <li>• ...</li> </ul>
<p>The personal and sensitive data to be handled contains <b>inaccuracies (principle 4)</b> that will skew the accuracy of decisions taken.</p> <p><i>[Insert the risk description here re:</i></p>				<p><i>[Insert activities, controls or measures already established or planned – to help, ask yourself these questions: How do you know the information you plan to use is accurate? How do you plan to maintain its accuracy?]</i></p> <ul style="list-style-type: none"> <li>• ...</li> </ul>

<p><i>the principles 4 above or mark as N/A]</i></p>			
<p>The personal and sensitive data handled is <b>retained</b> and destroyed (<b>principle 5</b>).</p> <p><i>[Insert the risk description here re: the principles 5 above or mark as N/A]</i></p>			<p><i>[Insert activities, controls or measures already established or planned – to help, ask yourself these questions: What retention periods will be applied to the information before destruction? How will the information be destroyed at the end of the retention period?]</i></p> <ul style="list-style-type: none"> <li>• ...</li> </ul>
<p>The Personal and sensitive data should be processed in accordance with the <b>rights of data subjects</b>. There must be a documented process between the parties to ensure information requests are met. (<b>Principle 6</b>).</p> <p><i>[Insert the risk description here re: the principles 6 above or mark as N/A]</i></p>			<p><i>[Insert activities, controls or measures already established or planned – to help, ask yourself these questions: How will this information be quickly accessed/blocked in a timely response to a subject access request, court order or litigation hold? ]</i></p> <ul style="list-style-type: none"> <li>• ...</li> </ul>
<p>The personal and sensitive data is either <b>lost or unlawfully disclosed</b> (<b>principle 7</b>).</p> <p><i>[Insert the risk description here re: the principles 7 above or mark as N/A]</i></p>			<p><i>[Insert activities, controls or measures already established or planned – to help, ask yourself these questions: How are you protecting information (soft and hard copy) when being moved/transferred/migrated? What controls do you have to prevent unauthorised access/modification/disclosure?]</i></p> <ul style="list-style-type: none"> <li>• ...</li> </ul>
<p>The personal and sensitive data will be <b>stored</b> securely which is within the EEA (<b>principle 8</b>).</p> <p><i>[Insert the risk description here re:</i></p>			<p><i>[Insert activities, controls or measures already established or planned – to help, ask yourself these questions: Will the information be stored on systems held outside of the <a href="#">EU/EEA</a> or the <a href="#">USA’s Privacy Shield</a> ]</i></p>



<i>the principles 8 above or mark as N/A]</i>				• ...
<b>Overall</b>				

**Guidance Note - 2.8**

The PIA process is a risk based model the aim is to identify any risks that may result for the use of personal data. The misuse of personal data could lead to significant impacts on the lives of individuals therefore prior to using any personal data all risks must be identified and mitigated.

In order to measure the correct level of risk you are required to assess this using the following risk methodology to determine the overall impact to your service or the Council.

Impact	Description
<b>1. Very Low</b>	<ul style="list-style-type: none"> <li>• Insignificant impact to the service or the Council</li> <li>• Unauthorised access to, loss or damage to ordinary personal data of up to 10 living individuals, cost impact £0 to £25,000</li> </ul>
<b>2. Low</b>	<ul style="list-style-type: none"> <li>• Minor impact to the service or the Council</li> <li>• Localised decrease in perception within service area – limited local media attention, short term recovery</li> <li>• Unauthorised access to, loss or damage to ordinary personal data of 11-999 individuals, cost impact £25,001 to £100,000</li> </ul>
<b>3. Medium</b>	<ul style="list-style-type: none"> <li>• Moderate impact to the service or the Council</li> <li>• Decrease in perception of public standing at local level – media attention highlights failure and is front page news, short to medium term recovery</li> <li>• Unauthorised access to, loss or damage to sensitive data of 11-999 individuals , cost impact £100,001 to £400,000</li> </ul>
<b>4. High</b>	<ul style="list-style-type: none"> <li>• Major impact to the service or the Council,</li> <li>• Decrease in perception of public standing at regional level – regional media coverage, medium term recovery from incident</li> <li>• Unauthorised access to, loss or damage of sensitive data to over 1000 individuals, cost £400,001 to £800,000</li> </ul>
<b>5. Very High</b>	<ul style="list-style-type: none"> <li>• Catastrophic impact to the service or the Council</li> <li>• Decrease in perception of public standing nationally and at Central Government – national media coverage, long term recovery from incident</li> <li>• Significant long term damage or distress to large numbers of people, cost £400,001 to £800,000.</li> </ul>

Descriptor	Likelihood Guide
1. <b>Improbable, extremely unlikely</b>	<ul style="list-style-type: none"> <li>• Virtually impossible to occur 0 to 5% chance of occurrence.</li> </ul>
2. <b>Remote possibility</b>	<ul style="list-style-type: none"> <li>• Very unlikely to occur 6 to 20% chance of occurrence</li> </ul>
3. <b>Occasional</b>	<ul style="list-style-type: none"> <li>• Likely to occur 21 to 50% chance of occurrence</li> </ul>
4. <b>Probable</b>	<ul style="list-style-type: none"> <li>• More likely to occur than not 51% to 80% chance of occurrence</li> </ul>
5. <b>Likely</b>	<ul style="list-style-type: none"> <li>• Almost certain to occur 81% to 100% chance of occurrence</li> </ul>

**Mitigations**

You are required to outline of any mitigating measures that have been taken as part of the project to help justify the score given.

**Note:** This risk may be subject to moderation following the review by the information managers

**2.9 Will the project involve any surveillance of any person by any means? (e.g. CCTV, communications monitoring)**

**Response:**

**2.10 Will the project involve any targeted marketing activities? For example: the promotions of goods or services via post, telephone and/or email?**

**Response:**

**Guidance Note – 2.10**  
 Any targeted marketing activities will require consent of the data subject. This should if possible be explicit consent and evidenced as part of the completion of this process.  
 If explicit consent has not been provided then it may be possible to imply consent however to determine this you should consult with your local information Manager.

**2.11 At what stage in the project are you completing this checklist and what is the target deadline for “go live”?**

**Response:**

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**2.12 Have you or do you plan to include data protection in any of the governance documentation, such as requirements specifications, contracts, risk and issue logs or SLA?**

**Response:**

**2.13 Do you plan to use live personal data in testing the new system?**

**Response:**

**2.14 Where will the shared data be held/stored?**

**Response:**

**Project Manager Name.....**

**Project Manager Signature.....**

**Date.....**

**Section 3 – Information Management Review (this is to be completed by the information managers)**

**3.1 Comments**

<b>IM Comments:</b>	
<b>H&amp;F</b>	The content of this PIA has been evaluated reflects that there are no personal data processing involved in this project therefore there are no data provacy risks to be evaluated  Christopher Ndubuisi Senior Information Management Officer London Borough of Hameersmith and Fulham
<b>RBKC</b>	
<b>WCC</b>	

**3.2 Required Actions**

#	IM Requirement	Date Met
1		
2		
3		

**3.3 Final Agreed Project Risk Rating (Tick relevant box)**

<b>Risk level</b>	
<b>Low 1-10 - Project can proceed</b>	
<b>Medium 11-15 - Minor actions are required before proceeding</b>	
<b>High 16+ - Significant actions required</b>	

**3.4 Sign off Level – Recommendation**

Following the review of this PIA the Information Manager/s recommend that this PIA is signed off by

Tick Box	Level
	Senior Information Risk Owner (risk level 16+)
	Information Manager (risk level 11-15)
	Information Asset Owner (risk level 1-10)

**Section 4. Signatories**

Signature of Information Asset Owner.....

Signature of Information Manager.....

Signature of Senior Information Risk Owner.....

Print Name of signatory.....

Date.....



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## Section 5 - Key Contacts

<b>Information Managers</b>		
<b>Name</b>	<b>Council</b>	<b>Email Address</b>
Ciara Shimidzu	LBHF	Ciara.Shimidzu@lbhf.gov.uk
Fatima Zohra	WCC	fzohra@westminster.gov.uk
Liz Man	RBKC	Liz.Man@rbkc.gov.uk
<b>Information Security Managers</b>		
<b>Name</b>	<b>Council</b>	<b>Email Address</b>
Adrian Dewey	LBHF	Adrian.Dewey@hfbp.co.uk
Phil Catling	WCC	pcatling@westminster.gov.uk
Valerie Benmehirize	RBKC	Valerie.Benmehirize@rbkc.gov.uk

### Glossary

<To Be Added>

<p style="text-align: center;"><b>London Borough of Hammersmith &amp; Fulham</b></p> <p style="text-align: center;"><b>CABINET</b></p> <p style="text-align: center;"><b>4 MARCH 2019</b></p>	
<p><b>AWARD OF CONTRACT FOR CONTRACTS AND PROCUREMENT LEGAL ADVICE</b></p>	
<p><b>Report of the Cabinet Member for Finance and Commercial Services – Councillor Max Schmid</b></p>	
<p><b>Open Report with exempt appendix</b></p> <p>Appendix A is exempt from disclosure on the grounds that it contains information relating to the <b>financial or business affairs of a particular person (including the authority holding that information) under paragraph 3</b> of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information</p>	
<p><b>Classification - For Decision</b></p> <p><b>Key Decision: Yes</b></p>	
<p><b>Consultation</b> Please state which other services have been consulted when drafting this report.</p>	
<p><b>Wards Affected: None</b></p>	
<p><b>Accountable Director: Hitesh Jolapara, Strategic Director of Finance and Governance</b></p>	
<p><b>Report Author: Rhian Davies, Monitoring Officer</b></p>	<p><b>Contact Details:</b> Tel: 07827 663794  E-mail: rhian.davies@lbhf.gov.uk</p>

## 1. EXECUTIVE SUMMARY

- 1.1 The Council's Legal Services became a sovereign service on 1<sup>st</sup> April 2018. At that time the Council did not employ Procurement and Contract lawyers as these lawyers had previously been employed by either Royal Borough of Kensington and Chelsea or Westminster City Council. A contract was therefore awarded to Sharpe Pritchard Solicitor to provide all legal advice to the Council for 12 months as from 1st April 2018. This report seeks to award

a further contract for this area of legal advice to Sharpe Pritchard for 12 months commencing on 1st April 2019.

## **2. RECOMMENDATIONS**

- 2.1 That the Council call off the London Boroughs Legal Alliance (“LBLA”) Framework in order to award a 12 months contract for contract and procurement legal advice from 1st April 2019.
- 2.2 That Cabinet award a contract to Sharpe Pritchard Solicitors for contract and procurement legal advice from 1st April 2019 and that the value of the contract outlined in the exempt appendix A be noted.
- 2.3 That authority be delegated to the Assistant Director of Legal and Democratic Services, in consultation with the Cabinet Member for Finance and Commercial Services, to finalise the terms and conditions of this contract and to take any other necessary steps to implement the decision in 2.2 above.

## **3 REASONS FOR DECISION**

- 3.1 The Council does not employ any contract lawyers. All contract and procurement legal advice has been provided by Sharpe Pritchard Solicitors since 1st April 2018, when the sovereign Legal Services was created. It is proposed that the Council award a further contract for this advice for 12 months to Sharpe Pritchard Solicitors, via the LBLA framework.

## **4 PROPOSAL AND ISSUES**

- 4.1 It is difficult for Local Authorities to recruit and retain contract solicitors as the salaries in local government are substantially lower than those offered within the private sector. Prior to becoming a sovereign service, the Council’s legal advice for contracts and procurement matters was obtained from both external solicitors and the Tri-Borough Legal Services. Although RBKC and WCC have historically paid such lawyers higher wages, the Tri-Borough service still had to rely on agency staff for such advice which can lead to a lack of continuity on cases.
- 4.2 It is proposed that the Council call off the LBLA framework to award a contract for the provision of all of the Council’s contract and procurement legal advice from 1st April 2019.
- 4.3 Sharpe Pritchard Solicitors have been providing all contract and procurement advice to the Council since 1<sup>st</sup> April 2018. This contract has worked well to date, the Assistant Director has received positive feedback from officers and lawyers from Sharpe Pritchard sit with the in-house team which means they are easily accessible to officers.



## 5 OPTIONS AND ANALYSIS OF OPTIONS

### Option 1

- 5.1 Recruit a team of in-house lawyers to undertake the Council's contract and Procurement legal advice and assistance.
- 5.2 This option would require the Council to rely solely on temporary staff to provide contract legal advice from 1st April 2019 as there is insufficient time to recruit permanent staff. Agency Staff are not only costlier to the Council, but they can also leave at short notice. Although the Service has been sovereign since April 2018 a service review was only completed in December 2018 leaving insufficient time to attempt to recruit permanent staff. It is likely that a salary supplement would be required to attract permanent staff. This option is not recommended at this stage but will be considered during the coming financial year.

### Option 2

- 5.3 Spot purchase advice and assistance from external solicitors by calling off from the LBLA panel.
- 5.4 This is not recommended as it does not provide any continuity to the Council as a number of different firms would need to be instructed in order to manage the caseloads. By awarding a contract to one firm that firm can identify a team of lawyers to concentrate on the contract. Additionally, under such an arrangement the solicitors would not sit with the in-house legal team and so would not be available on site.

### Option 3

- 5.5 Award a 12-month contract for all contract and procurement advice to Sharpe Pritchard Solicitors by calling off the LBLA framework.
- 5.6 This is the recommended option. There are a number of benefits, as follows, to the Council:
- The Council will have certainty of expenditure on legal advice for contracts and procurement. Only "major projects" (defined as requiring over 100 hours) would be additional to the agreed annual fee and those major projects would be negotiated at preferential rates.
  - A professional and reliable service will continue to be provided as from 1<sup>st</sup> April 2019
  - Continuity of service for existing work, removes risk of having to cover sick leave, holiday or absences
  - No overheads, administration or management costs for contract legal advice.
  - Opportunities for added value, for example:
    - Free training by external lawyers
    - Set of up to date precedents

## **6 CONSULTATION**

- 6.1 The proposal to purchase all contract and procurement advice from the LBLA panel has been considered by the Strategic Director of Finance and Governance and the Cabinet Member for Finance and Commercial Services.

## **7 EQUALITY IMPLICATIONS**

- 7.1 There will be no negative implications for groups with protected characteristics, under the terms of the Equalities Act 2010, with the calling off of the LBLA Framework and the award of a 12-month block contract to Sharpe Pritchard Solicitors.

*Implications completed by: Peter Smith, Head of Policy & Strategy, tel. 020 8753 2206.*

## **8 LEGAL IMPLICATIONS**

- 8.1 The Council has statutory powers under its constitution to provide suitable staff and resources to facilitate discharge of its functions including making provision for provision of suitable legal advice.
- 8.2 The proposal to outsource the contract and procurement law related legal services to Sharpe Pritchard by calling off LBLA Solicitor's Framework to award a block contract for a period of 12 months for a fixed price would be in compliance of the Council's obligations under the Public Contracts Regulations 2015.

*Implications completed by: Janette Mullins, Chief Solicitor Litigation and Social Care*

## **9 FINANCIAL IMPLICATIONS**

- 9.1 The financial implications are contained within exempt appendix A.

*Implications completed by: Will Stevens, Principal Accountant - Finance and governance*

*Implications verified by: Emily Hill, Assistant Director, Corporate Finance, tel. 020 8753 3145.*

## **10 COMMERCIAL IMPLICATIONS**

- 10.1 The report seeks approval to directly award the contract for the provision of legal services Sharpe Pritchard Solicitors under the LBLA Framework.
- 10.2 The framework agreement has been procured in compliance with the Public Contracts Regulations 2015 (PCR).

- 10.3 The framework agreement allows for a direct award, but a clear audit trail shall be followed in order to prove that it is appropriate, having regard to the circumstances, to make a direct award.
- 10.4 A Contract Award Notice must be placed in Contracts Finder in accordance with Regulation 112 of PCR2015 and a contract entry created in the Council's contracts register.
- 10.5 The contract should be managed accordingly, based on the key performance indicators set out in the agreement.
- 10.6 The report demonstrated the arrangement presents value for money for the Council and it is the most commercially viable short-term option.
- 10.7 *Implications verified/completed by: Andra Ulianov, Procurement Consultant, tel. 020 8753 2284.*

## **11 RISK MANAGEMENT**

- 11.1 The proposal contributes positively to the Council achieving its priority of being Ruthlessly Financially Efficient through expert legal advice on procurement, contracts and management of commercial risk. The management of continuity risk is also a consideration in accordance with risk number 5 and managing our statutory duties, risk 7 on the Council's corporate risk register.

*Implications verified by: Michael Sloniowski, Risk Manager, [tel: 020 8753 2587](tel:02087532587).*

## **12 IT IMPLICATIONS**

- 12.1 It is assumed that Sharpe Pritchard will continue to use its own IT systems to hold H&F cases. It would be advisable to review the existing Privacy Impact Assessment to confirm all necessary controls are still in place for the handling of sensitive data.
- 12.2 The new contract will need to include H&F's data protection and processing schedule. This is compliant with the General Data Protection Regulation (GDPR) enacted from 25 May 2018.
- 12.3 Implications verified/Completed by: Veronica Barella, Chief Information Officer, tel. 020 8753 2927.


## **13 IMPLICATIONS FOR LOCAL BUSINESS**

- 13.1 There are no implications for local businesses.
- 13.2 Implications verified by: Albena Karameros, Economic Development Team, tel. 020 7938 8583.

**14. BACKGROUND PAPERS USED IN PREPARING THIS REPORT - none**

**1. LIST OF APPENDICES**

Exempt Appendix A

<p style="text-align: center;"><b>London Borough of Hammersmith &amp; Fulham</b></p> <p style="text-align: center;"><b>CABINET</b></p> <p style="text-align: center;"><b>4 MARCH 2019</b></p>	
<p style="text-align: center;"><b>COSTS OF THE INTERIM HOUSING REPAIRS DELIVERY MODEL</b></p>	
<p><b>Report of the Cabinet Member for Housing – Councillor Lisa Homan</b></p>	
<p><b>Open Report with exempt appendix</b></p> <p>Appendix A is exempt from disclosure on the grounds that it contains information relating to the <b>financial or business affairs of a particular person (including the authority holding that information) under paragraph 3</b> of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	
<p><b>Classification - For Decision</b></p> <p><b>Key Decision: Yes</b></p>	
<p><b>Consultation:</b> Finance, Risk, Legal, Commercial, Business, IT, Equalities</p>	
<p><b>Wards Affected:</b> All</p>	
<p><b>Accountable Director:</b> Jo Rowlands, Strategic Director Growth and Place</p>	
<p><b>Report Author:</b> Mark Brayford, Assistant Director, Direct Delivery + Will Shanks, Delivery Manager, Growth and Place</p>	<p><b>Contact Details:</b> Tel.: 020 8753 6007 Email: <a href="mailto:william.shanks@lbhf.gov.uk">william.shanks@lbhf.gov.uk</a></p>

## 1. EXECUTIVE SUMMARY

- 1.1 The 4<sup>th</sup> February Cabinet report *Details of the interim housing repairs delivery model* detailed the interim repairs model that will replace the Mitie contract from 17<sup>th</sup> April 2019 and last for 12 to 15 months. The purpose of this report is to lay out the costs of this interim repairs model.

- 1.2 The interim repairs model has been designed to enable the Council to take more control of housing repairs and compliance services so as to improve the resident experience, protect the Council's assets, and ensure resident safety.
- 1.3 The interim repairs model has been designed to realise the Council's strategic priorities:
- **Taking pride in Hammersmith & Fulham** – by protecting the Council's housing assets to deliver homes that residents can be proud of.
  - **Building shared prosperity** – by creating opportunities for local SMEs to win contracts and for local residents to gain employment.
  - **Doing things with residents, not to them** – the interim repairs model has been informed by resident feedback and key elements have been co-designed with residents.
  - **Being ruthlessly financially efficient** – by strengthening the clienting function in order to drive better value for money from contractors, revising performance indicators, and building competition into the model.
  - **Creating a compassionate council** – by investing in training and culture change to ensure that all repairs operatives and call centre staff treat residents with dignity and respect.

The transformation of the housing repairs model is consistent with the Council's vision of 'moving on' – of taking radical action when services are not meeting our standards, and learning the lessons from past models rather than sticking to old ways of doing things.

- 1.4 This paragraph is contained within the Exempt Appendix A.
- 1.5 One of the main themes from the resident engagement sessions held after the announcement of the decision to terminate the Mitie contract, was that residents want a high-quality customer service when they call to report a call. Residents expect to deal with knowledgeable operatives able to diagnose repairs problems and give reliable information, who treat residents with courtesy, dignity and respect. The feedback from residents was that the current Mitie call centre has frequently fallen short of these expectations. The interim repairs model will feature an in-house repairs call centre which will be designed and resourced to deliver excellent customer service.
- 1.6 This paragraph is contained within the Exempt Appendix A.
- 1.7 The interim model is designed to enable maximum control, transparency, and insight so that the 12-15 interim period is a period of learning about the true levels of demand, how they can be better managed, and how a more efficient

and effective service delivered. There is a strong expectation that there is significant failure demand within the existing repairs model based around the Mitie contract. The long-term repairs model may be deliverable at a lower cost than the interim model.

- 1.8 Quantifying the additional cost of the interim repairs model at £3.4m is to give a best estimate based on the information available. Final costs will not be confirmed until the procurement of all contractors is complete by 11<sup>th</sup> March (see section 5). It is necessary to bring this paper to Cabinet before the procurement is complete in order to agree budgets for those parts of the model where there is certainty, so as to unlock spending where it is needed to progress the project. For example, there is a need to recruit additional staff as soon as possible in order to deliver a high performing Call Centre and clienting structure from April 17<sup>th</sup>. A final report will be brought to Cabinet once all costs are finalised.
- 1.9 This report also lays out additional implementation and mobilisation costs required to transition from the current model to the interim model – above the £930,000 already approved by 8<sup>th</sup> October Cabinet. An additional £782,000 is estimated to be required to cover contractor mobilisation, the equipping of the DLO with vehicles, materials and tools, and a training budget for DLO operatives, Call Centre staff and client management staff. Training is a particular priority and an area of significant interest to residents and members, with the training of the staff TUPEing from the Mitie contract being a key area of focus. A breakdown of the training budget is provided in this report.

## **2. RECOMMENDATIONS**

- 2.1 To approve a one-off annual revenue budget of £22.2m for the interim repairs model, of which £18.1m will be funded from existing Property & Compliance division budgets within the Housing Revenue Account for 2019/20 and £4.1m will be funded as a one-off appropriation from the Housing Revenue Account General Reserve.
- 2.2 To approve additional implementation and mobilisation costs of £782,000, in addition to the £930,000 already approved by Cabinet. The additional £782,000 will be funded from the Housing Revenue Account Transformation earmarked reserve.
- 2.3 To approve the transfer of the Housing Revenue Account Parking Charges Review earmarked reserve balance of £500,000 to the Transformation earmarked reserve.

2.4 To approve (within the annual revenue budget of £18.1m supplemented by a one-off reserve payment of £4.1m, referred to above) the creation of the following posts:

(a) the new Customer Service Centre posts, detailed in section 4.5, at a cost of £1,700,491 per annum

(b) the new posts within the Council's in-house Direct Labour Organisation (DLO), detailed in section 4.23, at a cost of £2,351,960 per annum

(c) the new posts within Growth and Place's clienting structure, detailed in section 4.30 at a cost of £607,319

### **3. REASONS FOR DECISION**

3.1 The February Cabinet report *Details of the interim housing repairs delivery model* detailed the interim repairs model that will replace the Mitie contract from 17<sup>th</sup> April 2019. The process of moving from a Mitie managed repairs service to a more diverse range and mix of general and specialist contractors is now well advanced. Planning for the transition to this interim model also includes the setting up of 'H&F Maintenance', the council's own direct labour organisation, and a council run repairs call centre.

3.2 The focus of this report is on the costs of the interim service. This includes the new contractor costs based on their bids, the financial consequences of creating an in-house call centre and direct labour organisation and the strengthening of the client structures.

3.3 It is important to recognise that the change in delivery model is an interim step for between 12 and 15 months. The interim model is designed first and foremost to deliver a functioning repairs and compliance service that maintains residents' safety and wellbeing.

3.4 The interim period will give the council some time to assess the impact of the changes on the service, its costs, value for money and resident perceptions. Indeed, the approach has been structured, in part, to allow as much learning as possible to be built into the long-term solution.

3.5 Procuring for the long term will need to begin in Summer 2019. Decisions on the way the future service should be organised will, therefore, be brought to Members in the near future. The key decisions will revolve around the long-term size and shape of the service, whether there should be two or three general contractors (or any) and also if some of the specialist/other works should be absorbed into the general contractors' contracts.



3.6 All of these issues will be presented to Members using as much feedback as possible about the way the interim delivery model is working.

## **4 ISSUES**

### **4.1 Customer Service Centre**

4.2 The February Cabinet report *Details of the interim housing repairs delivery model* described how the new repairs model will feature a single, in-house, repairs customer service centre that will take calls and allocate them to the DLO and all contractors. This is critical to ensuring that the repairs service can function on day one post Mitie. It is also an area of real importance to residents, as indicated by the resident feedback gained from the engagement programme (detailed in the February report). One of the 'quick win' priorities of the new model is to significantly improve the quality of customer service provided by the repairs call centre. There will be a major and ongoing focus on training and instilling a customer service ethos in the staff, many of whom will TUPE over from the Mitie Call Centre.

4.3 The Call Centre is an exciting opportunity to help realise the Council's social value and economic development goals by creating employment opportunities for local residents. The service has been working with the Council's Workzone service to ensure that employment opportunities for local residents are maximised. The recruitment agency managing the recruitment of additional Customer Service Advisors (beyond those anticipated to TUPE from Mitie) has been given a target for local recruitment: 30% of recruited staff should be residents of Hammersmith and Fulham. There is a need for advisors who speak foreign languages, based on the most commonly spoken languages in the borough. This should present opportunities to borough residents. The assessment process has been carried out within borough (at the Macbeth centre). There is a commitment within the service to recruit two apprentice Customer Service Advisors in Autumn, once the Call Centre has become established and stabilised. We will again work Workzone colleagues to promote apprenticeship opportunities.

4.4 It is expected that the new repairs customer service centre will cost a total of £2m in its first twelve months of operation (see table below for a breakdown of this cost). This figure has been calculated based on analysis of twelve months of call demand. This paragraph is contained within the Exempt Appendix A.

4.5 Call centre budget for first 12 months:

	<b>Number of posts</b>	<b>Costs (includes on-costs)</b>
Customer Service Advisors	32	£1,185,216
Customer Service Team Leaders	4	£209,480
CSC Trainer	1	£48,416
CSC Workforce Optimisation Analyst	1	£48,416
Customer Insight Officers	2	£96,832
Customer Service Manager	1	£66,149
CSC Head of Service (50% of cost)	1	£45,982
<i>Total – staff</i>		£1,700,491
Ongoing training budget		£15,000
Customer feedback software		£60,000
Out of hours call service (external provider)		£70,000
Call handling software licences		£83,000
Cost of calls		£71,520
<i>Total – other resources</i>		£299,520
<b>Total</b>		<b>£2,000,011</b>

See appendix 1 for the Customer Service Centre structure chart.

- 4.6 This paragraph is contained within the Exempt Appendix A.
- 4.7 This paragraph is contained within the Exempt Appendix A.
- 4.8 This paragraph is contained within the Exempt Appendix A.
- 4.9 This paragraph is contained within the Exempt Appendix A.
- 4.10 There is also scope to run the customer service centre with ever greater efficiency so that the staff resource might be reduced. The Workforce Optimisation Analyst will identify patterns of demand and enable the service to allocate staff more efficiently. Embedding Customer Insight Officers in the service will enable a proactive, problem solving approach to customer service – identifying emerging problems quickly and supporting the service to respond, rather than passively allowing residents to raise the same problem time and time again. The additional ‘intelligence’ resource being put into the call centre is therefore based on an invest to save premise – the quantifiable impact of which will emerge during the 12 to 15 months of the interim model.

4.11 Alternatively, if the customer service centre can be run in an intelligent and efficient way, there may be corporate interest in expanding it to take on other Council functions. A review of call centre functions across the Council is already underway and this review will continue to work closely with the project implementing the new repairs model. The workstream lead, Roy Morgan, has met with Karen Sullivan, Assistant Director for Residents Services, to appraise her of the plan for the Repairs Customer Service Centre.

4.12 Colleagues in Corporate Communications are fully briefed on the plans for the Repairs Customer Service Centre, and are making it a major focus of the Communications campaign heralding the interim repairs model.

4.13 Training

4.14 The February Cabinet report described the training programme that will be delivered for Call Centre and DLO staff. It will focus on customer care and best practice in operational delivery (health and safety, compliance, technical competence, etc). We will undertake a full skills audit on the transferring staff and any new recruits. The programme will include a major drive for change on handover and then ongoing programmes going forward. A £100,000 budget for training will be set aside and will cover:

	<b>DLO</b>	<b>Call Centre</b>	<b>Client side, management, wider service</b>
Skills audit	£2,000	£2,000	£2,000
Repairs diagnostic training (covered by existing implementation budget detailed in section 4.38 below)		£13,250	
Ongoing Call Centre training (covered by Call Centre budget detailed in section 4.5 above)		£15,000	
Induction on transition (two/three days covering H&F values, service and resident expectations, customer care, H&S, etc)	£11,000	£11,000	
Technical development and skills update	£20,000		

Specialist training (diversity, working with vulnerable people, etc)	£6,000	£6,000	£3,000
Systems and technology training	£1,000	£5,750	£2,000
<b>Total</b>	<b>£40,000</b>	<b>£53,000</b>	<b>£7,000</b>

- 4.15 £28,250 of the training budget is already covered in the Project Implementation budget and the Call Centre annual budget – an additional £71,750 is required.
- 4.16 Phased growth of the DLO
- 4.17 The DLO has been designed to address areas where Council priorities and resident feedback means the Council needs to achieve maximum control – estates and communal works, the delivery of minor works arising from Fire Risk Assessments, and more complex, multi visit, repairs. Direct delivery of repairs is not something the Council has done for decades and is a significant undertaking. With so much change going on across the Repairs function (such as new contractors and new clienting arrangements) there is a need to focus on getting the basics right and minimise the risk of service failure and disappointing residents. Therefore, the DLO will be grown gradually over the first twelve months to enable more control and more reliable delivery.
- 4.18 The two initial work streams, starting from April 17<sup>th</sup>, will be communal repairs and minor FRA works.
- 4.19 For communal repairs the operatives will be staff transferred from Mitie so there will be a ready-to-go workforce. We have time to ensure the team is set up with right resources, tools and support mechanisms in place. Work is currently underway to set a programme of communal and estates works. Staggering the growth of the DLO enables the service more time to priorities works both against available resources and through more structured engagement with tenants/leaseholders, Housing Officers on the estates, and Members. We will likely need to consult with leaseholders on some works of higher value.
- 4.20 The priority for communal works is to have a core team with a highly visible presence on estates addressing key areas identified by residents e.g. lighting, soil stacks, glazing, and some minor decoration works. We will provide details of when operatives will be in particular areas so residents and staff become familiar with the teams. We want the first few months to be an opportunity to rebuild relationships with residents, Members and H&F staff – the smaller team initially will help make this more of a personal approach.

4.21 For minor FRA works there is already a small team within Growth and Place. To date they have in many ways operated in isolation and just got on with the tasks presented to them. Staggering the growth of the DLO means that resources can be directed at integrating the FRA workstream into the wider DLO. This will help ensure that common behaviours are established across the different work streams. The works delivered through the FRA team are helping to mitigate a key risk to the council so we need to ensure appropriate infrastructure in place to support this. This experience of integrating the FRA team will identify guidelines and lessons learnt for when other work streams are delivered by the DLO.

4.22 The more general benefits of staggering the growth of the service are that it will provide time to:

- deliver a training plan so that operatives have clear understanding of our expectations for quality of workmanship, accountability, and customer service
- embed behaviour change and instil a high-performance culture amongst management and operatives. Having a smaller team means the first tranche can act as ambassadors for future employees.
- test the existing skills profile of operatives to ensure they meet the needs of the service
- recruit the right operatives to meet the needs of the service (rather than a rushed recruitment at start)
- further develop the internal systems and processes of the DLO (starting smaller allows us to test these systems and practices in a more controlled way)
- further develop how we integrate with the repairs contractors' works management systems
- This sentence is contained within the Exempt Appendix A.

4.23 Month 1 structure:

4.24 The plan is for the DLO to launch with 22 Operatives, full management structure and a suitable number of support staff (see appendix 2a for structure chart).

<b>Post</b>	<b>Grade</b>	<b>Number of posts</b>	<b>Costs (includes on-costs)</b>
Managing Director DLO	SMG 2	1	£86,422
Works Manager	PO7	1	£64,889

Fire Safety Works Manager	PO7	1	£64,889
Commercial Manager	PO7	1	£64,889
Works Planner	SC6	1	£35,980
Administrator	Scale 5	1	£33,005
Supervisor	PO3	2	£102,220
Operatives	<i>Range of salaries to be set by Union Panel. Costs based on expert salary estimates and assumed 27% on costs</i>	22	£1,079,955
Annual cost			£1,532,249
<b>Month 1 cost</b>			<b>£127,687</b>

4.25 Month 12 structure:

4.26 By month 12 the DLO will grow to 47.5 operatives with a corresponding growth in support staff (see appendix 2b for structure chart).

<b>Post</b>	<b>Grade</b>	<b>Number of posts</b>	<b>Costs (includes on-costs)</b>
Managing Director DLO	SMG 2	1	£86,422
Works Manager	PO7	1	£64,889
Fire Safety Works Manager	PO7	1	£64,889
Commercial Manager	PO7	1	£64,889
Quality Assurance Officer	SC6	2	£71,960
Works Planner	SC6	4	£143,920
Business Officer	SO1	1	£39,527
Administrator	Scale 5	3	£99,015
Supervisor	PO3	4	£204,440
Operatives	<i>Range of salaries to be set by Union Panel. Costs based on expert salary estimates and assumed 27% on costs</i>	47.5	£2,331,720
Annual cost			£3,171,671
<b>Month 12 cost</b>			<b>£264,306</b>

4.27 The DLO will grow in a stable, straight line, basis so that the annual cost of the DLO staff is expected to be **£2,351,960**.

4.28 Client side

4.29 Additional client-side resources are needed to effectively client the three responsive repairs contractors. Currently, the Council has a very thin client, which is believed to be one of the main cause of the issues with the Mitie contract. Some resources are already in place. The table below lays out the additional cost of clienting the responsive repairs contractors (see appendix 3 for structure chart):

Post	Grade	Number of posts	Costs (includes on-costs)
Head of Client Services (Repairs)	SMG 2	Existing post	£0
Contract Managers	PO6	3	£187,071
Aids and Adaptations Manager	PO7	Existing post	£0
Quality Manager	PO4	1	£56,123
Finance Manager	PO4	Existing post	£0
Ad hoc schemes manager	PO4	Existing post	£0
Surveyors	PO4	7 existing posts 5 new post	£280,615
Technical officers	SO2	2	£83,510
Support officer	SO2	5 existing posts	
<b>Total</b>			<b>£607,319</b>

4.30 Cost of the interim repairs model

4.31 The overall cost of the interim repairs model arrangement is expected to be £22.2m over 12 months. This is £3.4m more than the cost of the current model. There will also be one off mobilisation costs of £1.7m. Certain costs are not yet confirmed as tender responses have not been received. In these cases, appropriate estimates based on market knowledge have been used. Given that the model has changed so fundamentally compared to the Mitie contract, it is difficult to explain how each and every element has increased or decreased in costs but the key variances are understood as:

- The Client Management structure has increased due to the added complexity of managing multiple contractors and a DLO. See appendix 3 for the structure chart. This new structure costs an additional **£607,000** per annum. This new structure reflects the increased control and governance that the Council wishes to have in-house to manage Housing assets effectively and safely. This sentence is contained within the Exempt Appendix A.

- The call centre is a major new capability for the council, providing an improved customer services and consistency of experience for residents. It will also provide better control of work and compliance for the council. However, the service comes with a cost of £2m an additional **£700,000** of costs. This sentence is contained within the Exempt Appendix A.
  - The new service model allows for the DLO to deliver c£1m of Fire Risk Assessment works when MITIE have delivered c£0.2m. Therefore, there will an additional cost of **£800,000**.
  - This sentence is contained within the Exempt Appendix A.
  -
- 4.32 Otherwise, the repairs and voids estimated costs are broadly in line with what MITIE currently spend. These sentences are contained within the Exempt Appendix A.
- 4.33 There are additional costs associated with the mobilisation of the new service. £930,000 was approved by the October Cabinet paper *Mitie partnership progress update*. An additional £600,000, in aggregate, is expected to be needed by the external contractors to mobilise their service. The DLO will need approximately £110,000 for new vehicles, uniforms, initial van stocks, and tools. Finally, there is a need for an additional £72,000 for training the DLO operatives, Call Centre staff, and client management staff – as details in section 4.15 above.
- 4.34 This paragraph is contained within the Exempt Appendix A.
- 4.35 It is important to recognise that the change in delivery model is an interim step for between 12 and 15 months. The interim model is designed first and foremost to deliver a functioning repairs and compliance service that maintains residents' safety and wellbeing.
- 4.36 The interim period will give the council some time to assess the impact of the changes on the service, its true costs, value for money and resident perceptions. Indeed, the approach has been structured, in part, to allow as much learning as possible to be built into the long-term solution. The ambition is to achieve a long term model that is more efficient and may be delivered at a lower cost.
- 4.37 This section is contained within the Exempt Appendix A.

## 5. NEXT STEPS

- 5.1 This report will be updated once the procurement of the specialist contractors is complete (11<sup>th</sup> March) and the costs of these contractors are known. The final costs and budgets will be brought to April or May Cabinet.
- 5.2 The key milestones on the procurement are as follows:



- 14<sup>th</sup> January Cabinet Member Decision to appoint **3 Repairs Contractors**
- 25<sup>th</sup> February Cabinet Member Decision to appoint **Gas** contractor
- 11<sup>th</sup> March Cabinet Member Decision to appoint **Electrical, Asbestos, Drainage, Roofing and other specialist contractors**

5.3 See appendix 4 (contained within the Exempt Appendix A) for a detailed procurement timeline.

## 6 CONSULTATION

6.1 Consultation has been carried out through the following means:

- Writing to all tenants and inviting them to respond on the new repairs in the manner set out below
- Eform on the Council's website asking questions about the changes to the Repairs service (56 responses)
- Freetext box on the Council's website for feedback on the changes to the Repairs services.
- Email submissions to project team inbox from members of public.
- Three public engagement sessions: 29th October, 31st October and 7th November in locations providing good coverage across the borough.
- Discussions at resident-led service improvement panels in early November: Sheltered Forum, Estates Services Working Group, and Repairs Working Group. There were c.100 attendees at these meetings.

6.2 The following key themes emerged from the consultation activities:

Feedback	Intended response
<p>Theme 1 – Resident experience reporting a repair to the call centre</p> <ul style="list-style-type: none"> <li>• Repair call centre has long waiting times</li> <li>• Staff attitude, poor customer services, not listening, lack empathy</li> <li>• Repair call centre staff to have better knowledge of estates across the borough</li> </ul>	<ul style="list-style-type: none"> <li>• Repair call centre staff will undergo customer services and repairs training, followed by ongoing call quality monitoring</li> <li>• Duty Surveyors will be based in the repair call centre to assist with complex repairs</li> <li>• We are looking at the staffing structure of the repair call centre to find ways to reduce longer waiting times during busy periods</li> </ul>

<ul style="list-style-type: none"> <li>• Repair call centre staff to be trained properly on diagnosing repairs</li> <li>• Technical surveyors to be in the repair call centre to deal with complex repairs</li> </ul>	
<p>Theme 2 - Resident experience of repair appointments</p> <ul style="list-style-type: none"> <li>• Repair appointment slots should be 2 to 4 hours slots</li> <li>• Appointment reminders should be sent to residents by telephone/text messages</li> <li>• All day appointments should be for external, Health &amp; Safety compliance works.</li> <li>• Repair appointments need to be more flexible based around residents needs</li> <li>• Residents should not have to chase up follow repair works</li> </ul>	<ul style="list-style-type: none"> <li>• Require contractors to define their appointment slots in their tenders and evaluate them accordingly</li> <li>• Explore with contractors the possibility of appointment reminders and enabling operatives to book follow up whilst on residents' property</li> </ul>
<p>Theme 3 - Resident experience of repair works</p> <ul style="list-style-type: none"> <li>• Operatives do not leave calling card if residents are not at home</li> <li>• Operatives don't have the right materials or tools to complete repair Right First Time</li> <li>• Workmanship is not of good quality</li> <li>• Operatives don't clean up their mess after repair has been completed</li> <li>• Operatives give poor customer service</li> </ul>	<ul style="list-style-type: none"> <li>• Through our commissioning of new contractors, we will review: <ul style="list-style-type: none"> <li>○ the no access process including calling cards</li> <li>○ what materials we need to keep in the vans</li> <li>○ processes for quality checking of workmanship</li> <li>○ the possibility of operatives covering specific areas of the borough on specific days</li> <li>○ customer services training for operatives</li> </ul> </li> <li>• Operatives will follow code of conduct for completing repairs</li> </ul>

## 7. EQUALITY IMPLICATIONS

- 7.1 An equality impact assessment accompanied the February Cabinet report that detailed the interim repairs model. It highlights potential adverse impact on some groups of people with protected characteristics affected by the interim changes particularly people who are elderly, pregnant and/or disabled. It also

highlights the groups of people with protected characteristics who presently receive services, picking up on race and faith protected characteristics. The assessment draws on consultation and demographic and service information. Mitigating actions are set out to address any potential adverse impact identified.

- 7.2 Equality implications completed by Peter Smith, Head of Policy & Strategy, tel. 020 8753 2206.

## **8. LEGAL IMPLICATIONS**

- 8.1 This report is seeking approval for the increased budget required for the implementation of the new repairs model.
- 8.2 The new repairs model set out in this report has entailed or will entail a number of new procurements and variations to existing contracts. As outlined in section 5 of the report, approvals for these are in the process of being put in place.
- 8.3 Under paragraph 4.7 of the Scheme of Delegation to Officers within Part 3 of the Constitution (Responsibility for Functions), the Chief Executive and Chief Officers are able to “undertake, in consultation with the Director of Corporate Services, minor re-organisations of staff structure (directly affecting a maximum of 25 posts) provided no post subject to Member appointment procedures is affected, there is no increase in cost and the relevant Cabinet Member is advised in advance about forthcoming minor re-organisations.” By implication, any reorganisation involving more than 25 staff or involving increase in costs need to be approved by the Cabinet. Therefore, the creation of the new posts in both LBHF Direct and the Customer Call Centre require approval.
- 8.4 Pursuant to S.105 of the Housing Act 1985, the Council is required to carry out consultation with secure tenants where they are “likely to be substantially affected” by changes to housing Management, and the consultation carried out is described in section 6 of the report.
- 8.5 Legal Implications prepared by Deborah Down, Senior Associate with Sharpe Pritchard Solicitors, on secondment to the Council,  
[ddown@sharpepritchard.co.uk](mailto:ddown@sharpepritchard.co.uk)

## **9. FINANCIAL IMPLICATIONS**

- 9.1 The 4<sup>th</sup> February Cabinet report “*Details of the interim housing repairs delivery model*” approved the interim repairs model that will replace the Mitie contract

from 17<sup>th</sup> April 2019 and last for 12 to 15 months. The main purpose of this report is to set out the costs of and to approve an interim budget for the interim repairs model. As work progresses and contracts are let, there will be more certainty over these costs and final estimated costs will be brought to April Cabinet.

### **Additional revenue and capital costs of interim repairs model**

- 9.2 This paragraph is contained within the Exempt Appendix A.
- 9.3 This report sets out the main reasons for the £3.4m difference in revenue costs in paragraph 4.15 and these are summarised below:
- Increase in the Client Management structure due to the added complexity of managing multiple contractors and a DLO (£607,000) and improvements to the call centre (£700,000). These increases and the costs of the new structures have been validated by Finance officers.
  - Additional Fire Risk Assessment works (£800,000).
  - This sentence is contained within the Exempt Appendix A.
- 9.4 In addition to the increase in costs of £3.4m above current spend, there is also an ongoing overspend against the approved budget under the current contract with Mitie.
- 9.5 The annual revenue budget for 2019/20 within the Housing Revenue Account for the Property & Compliance division (this largely includes the budgets associated with the former Property Services and Housing Repairs divisions) was formally approved by Cabinet on 4<sup>th</sup> February 2019 as £18.1m. Therefore, when compared with the last full year revenue outturn (2017/18) of £18.8m, the budget shortfall is £0.7m. Together with the increase in costs arising from the interim repairs delivery model, this indicates that the overall additional annual revenue budget requirement for the interim period is £4.1m.
- 9.6 The current capital budget for capitalised repairs and staffing costs capitalisation approved at Cabinet as part of quarterly capital monitoring on 14<sup>th</sup> January is £2.04m and £1.85m for 2019/20 respectively. Whilst the budget for capitalised repairs is sufficient to cover the anticipated costs set out in the table in paragraph 4.18, there is a shortfall of £0.9m on the staffing costs capitalisation budget. The capital budget is scheduled to be considered for revision at Cabinet in April as part of the annual capital outturn process and this shortfall will be addressed in this report.
- 9.7 The revenue funding shortfall of £4.1m will be addressed through a one-off drawdown from the Housing Revenue Account General Reserve. The reserve currently stands at £9.95m but is currently projected to increase by £2.72m to £12.67m by 31<sup>st</sup> March 2019, in line with the Corporate Revenue Monitor for month 6, approved by Cabinet on 14<sup>th</sup> January.
- 9.8 There is a risk that if the interim repairs delivery model continues for an additional 3 months to 15 months in total, then a further drawdown from the

HRA General Reserve of approximately £1.0m will be required. A further decision report will be needed at a later date if this is required.

- 9.9 Finance officers have worked closely with the service and have validated all staffing costs included within the new interim repairs delivery model. Finance officers will continue to support the service to deliver the new interim repairs model, to ensure costs are closely monitored and that the necessary action is taken to contain spend within the approved budget envelope.
- 9.10 The costs associated with the interim repairs delivery model in this report do not include any additional Fire Safety revenue expenditure. These costs are currently funded from the Fire Safety Plus reserve.
- 9.11 The additional budget required does not include an estimate of potential TUPE costs which may arise from the transfer of former MITIE staff to the general (repairs and voids) repairs contractors. An estimate of 10% is a reasonable risk premium based on historic market trends and this equates to a revenue risk of £616,000 and a capital risk of £197,000.
- 9.12 The additional budget required is based on a best estimate of the additional cost of the interim repairs model. Final costs will not be confirmed until the procurement of all contractors is complete by 11<sup>th</sup> March (see section 5). Budget approval is required at this stage so that spending plans (such as recruitment of staff) may be implemented to ensure the interim model can be delivered from 17<sup>th</sup> April. A final report will be brought to Cabinet once all costs are finalised.
- 9.13 The 12 to 15 month interim period is designed to serve as a period of learning which will enable a more efficient and effective service to be delivered. The long-term repairs model may be deliverable at a lower cost than the interim model. For example, savings are expected to be made as a result of getting jobs right first time and these may offset any additional costs of retendered contracts. Over the course of the next 12-15 months, in addition to supporting in embedding the interim repairs delivery model, Finance will work with service colleagues to develop the long-term repairs model and to ascertain the budget requirement, in the context of delivering a sustainable long-term 40-year financial plan for the HRA.

#### **One-off implementation and mobilisation costs**

- 9.14 The costs of additional implementation and mobilisation costs (as set out in paragraph 4.17) required to transition from the current model to the interim model is expected to be £782,000. This is in addition to the £930,000 already approved by Cabinet on 8<sup>th</sup> October 2018 which will be funded from the Housing Revenue Account Transformation earmarked reserve. The current uncommitted balance on the Transformation reserve is £362,000. However, £500,000 of the balance of £606,000 held on the HRA Parking Charges Review earmarked reserve is no longer required following the implementation of a project to review parking arrangements on housing land. As the current balance on the Transformation reserve is insufficient to fund the additional

mobilisation and implementation costs, the £500,000 will be transferred to the Transformation reserve. This ensures that the additional £782,000 can be funded and leaves a balance of £80,000 on the reserve to provide funds for other Housing Revenue Account related transformational projects.

- 9.15 The plans set out in this report will reduce the current projected level of HRA cashable reserves. The current projected level of HRA cashable reserves before any appropriation or transfer to the reserve for the 2018/19 financial year outturn is forecast to be £37.6m. The drawdown of £4.1m from the General Reserve and the drawdown of £782,000 from other reserves would reduce this balance to £32.7m.
- 9.16 The HRA cashable reserves provide a financial provision that mitigates against the risk that unexpected adverse events may result in additional expenditure. The level of HRA General Reserves of 11% of turnover compares with the average level for London local housing authorities of 27%. The level of HRA General Reserves as a result of this report will fall to 10%.
- 9.17 The plans set out here may also increase the level of debt in the HRA as measured by the HRA Capital Finance Requirement (CFR) as set out in the Capital Programme Monitor & Budget Variations, 2018/19 (Second Quarter) report that went to Cabinet on 14<sup>th</sup> January 2019, though the CFR would remain within prudential borrowing limits.
- 9.18 *Implications completed by: Danny Rochford, Head of Finance (Growth & Place), tel. 020 8753 4023.*

*Implications verified by: Emily Hill, Assistant Director, Corporate Finance, tel. 020 8753 3145.*

## **10. IMPLICATIONS FOR BUSINESS**

- 10.1 There is scope to create opportunities for local SMEs and suitable contractors to bid for work as part of the new model. Collaboration with the Council's Local Procurement Initiative has already started and aims to identify and engage suitable local businesses.
- 10.2 Business implications completed by Albena Karameros, Economic Development Team, tel. 07739 316 957.

## **11. COMMERCIAL IMPLICATIONS**

- 11.1 There are no direct procurement implications resulting from this report. Procurement officers will continue to work closely with all parties involved in the project to ensure all contracts relating to the recommended budget approvals are compliant with Procurement Regulations.

- 11.2 Commercially, the estimated value of the interim measures seem to be higher than the current contractual arrangements in place (according to the Contracts Register). However, this would be expected from an interim measure, given the time constraints and the need of ensuring residents safety and satisfaction with regards to the delivery of these services.
- 11.3 Implications completed by Andra Ulianov, Procurement Consultant, tel 020 8753 2284.

## **12 IT IMPLICATIONS**

- 12.1 The council is currently delivering a new desktop strategy (Tech-tonic) to provide laptops and smartphones for officers. TUPEd Mitie staff and new staff for Call Centre and DLO will require the same IT solutions as existing council officers and the Tech-tonic programme will coordinate the migration of staff with the service.
- 12.2 The Contact Centre will use the corporate Netcall system for managing calls. IT Services is working with the service and the third-party supplier to minimise impact of annual running costs.
- 12.3 The service will work with corporate IT to review network security in relation to how the new suppliers access the replacement repairs system (iWorld) and how information, including sensitive information, is made available to contractors to enable them to carry out work.
- 12.4 Existing Privacy Impact Assessment(s) for the Repairs Service will need to be updated to ensure that all the potential data protection risks around implementing the core repairs service and the out of hours call service are properly assessed with mitigating actions agreed and implemented. Any contractors will be expected to have a GDPR policy in place and all staff will be expected to have received GDPR training. Any contracts will need to include H&F's new data protection and processing schedule. This is compliant with the General Data Protection Regulation (GDPR) enacted from 25 May 2018.
- 12.5 Data to be collected by the customer feedback software should be included to assess whether it is likely to contain any personal information.
- 12.6 Information Sharing Agreements are needed with the new suppliers, and a supplier checklist which confirms how suppliers connect to our network. The council's Information Management Team can advise on what's needed. Supporting documentation is also available on our Intranet.

12.7 IT implications completed by Veronica Barella, Chief Information Officer, tel. 020 8753 2927.

### **13 RISK MANAGEMENT**

- 13.1 The Council requires a repairs service which meets its objectives, which provides flexibility in how it manages its housing asset to deliver a higher level of resident satisfaction in its repairs service, which ensures compliance with all statutory health and safety requirements and which delivers on a range of other policies including social value and use of local suppliers. In line with the ruthlessly financially efficient priority, the Council also needs to demonstrate that the repairs service demonstrates and delivers value for money in managing and maintaining its housing stock to an appropriate standard.
- 13.2 In terminating the Mitie contract and putting transitional arrangements in place that will lead to a permanent DLO being established, officers have identified a range of risks associated with managing the termination, notice period and transitional period of up to 12 months, as set out in Appendix 5 (contained within the Exempt Appendix A).
- 13.3 It is essential that appropriate project management resource and governance arrangements are put in place and that the project risks are reviewed and managed by the proposed Corporate Repairs Board. The project risk register needs to include key interdependencies with other change programmes taking place across the Councils during the notice and transition period, including but not limited to the West King Street regeneration/Town Hall Decant programme and the Desktop Strategy programme, and the mitigations which need to be put in place to minimise impact on meeting the objectives of this and other programmes.
- 13.4 The Corporate Repairs Board should regularly review Mitie's performance during the remaining contract period to enable decisions regarding early withdrawal of services, due to poor performance, to be considered in line with the legal comments provided for this report.
- 13.5 The Corporate Repairs Board will need to ensure that the termination process is progressed in line with the legal advice provided for the termination decision. Officers will provide further procurement strategy and contract award reports for approval by Members so that new contracts are procured in line with the Public Contracts Regulations (PCR) 2015 and with the Council's Contracts Standing Orders. These actions will mitigate the risk of contract/procurement challenge.



- 13.6 Further reports to Members will need to set out the risks and opportunities (financial and non-financial) with the proposed operating model once costs and structures have been finalised, both for the transition period and beyond, and the governance and legal framework within which the DLO will operate.

Risk management implications completed by David Hughes, Director of Audit, Fraud, Risk and Insurance, tel: 020 7361 2389.

## **14 BACKGROUND PAPERS USED IN PREPARING THIS REPORT (published)**

- 14.1 Cabinet Paper (8<sup>th</sup> October 2018) 'Mitie Partnership Progress Update'  
Cabinet Paper (4<sup>th</sup> October 2018) 'Details of the interim housing repairs delivery model'

## **15 APPENDICES**

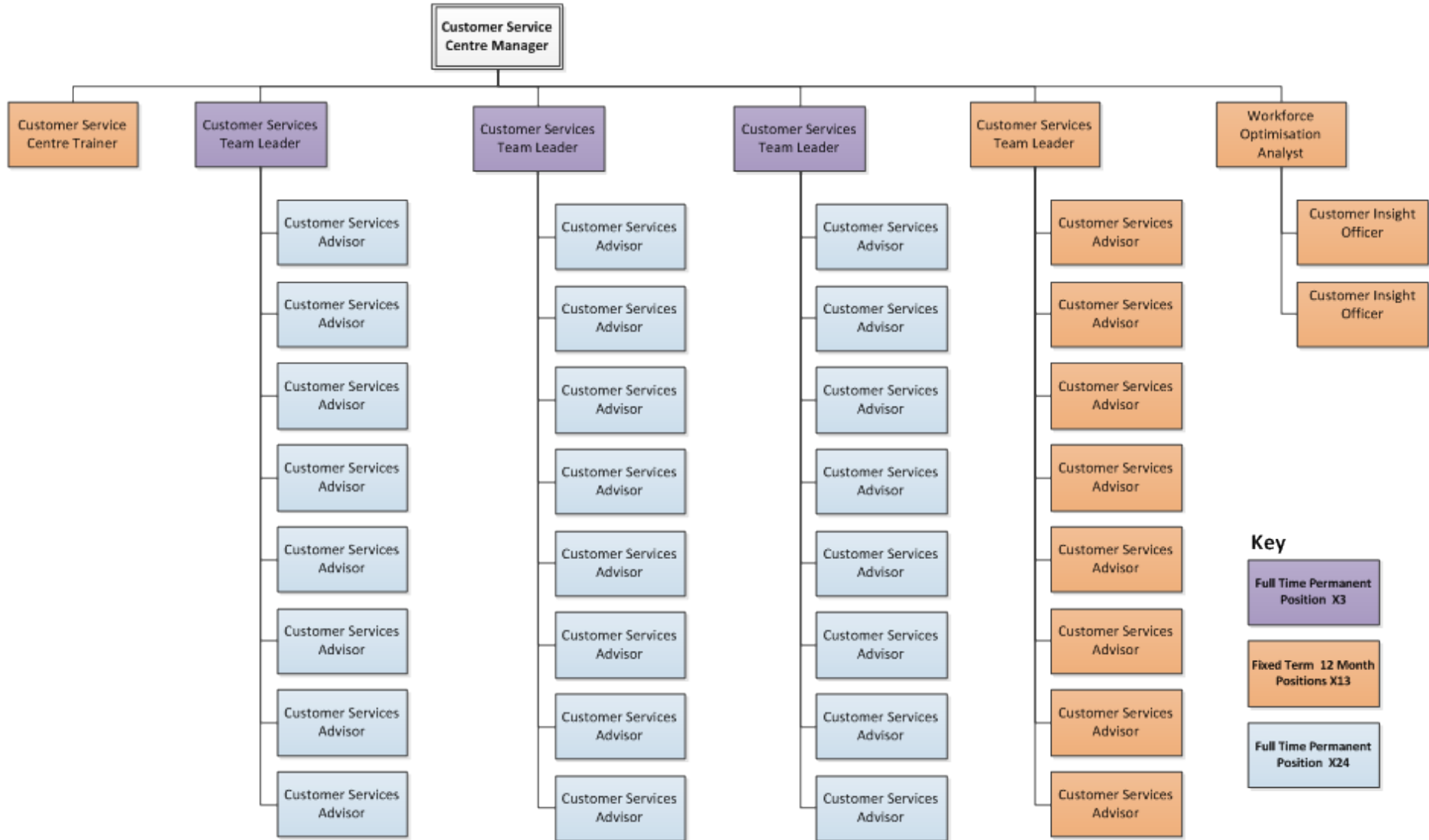
- 15.1 Appendix 1 – Customer Service Centre structure chart  
Appendix 2a – DLO structure in month 1  
Appendix 2b – DLO structure in month 12  
Appendix 3 – Client-side structure chart

Exempt Appendix A

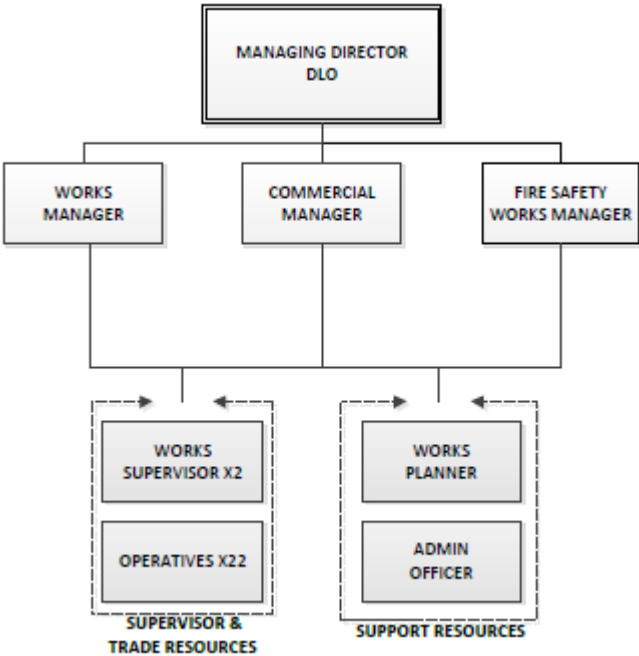
Appendix 4 – Detailed procurement timeline (contained within the Exempt Appendix A)

Appendix 5 – Risk Log (contained within the Exempt Appendix A)

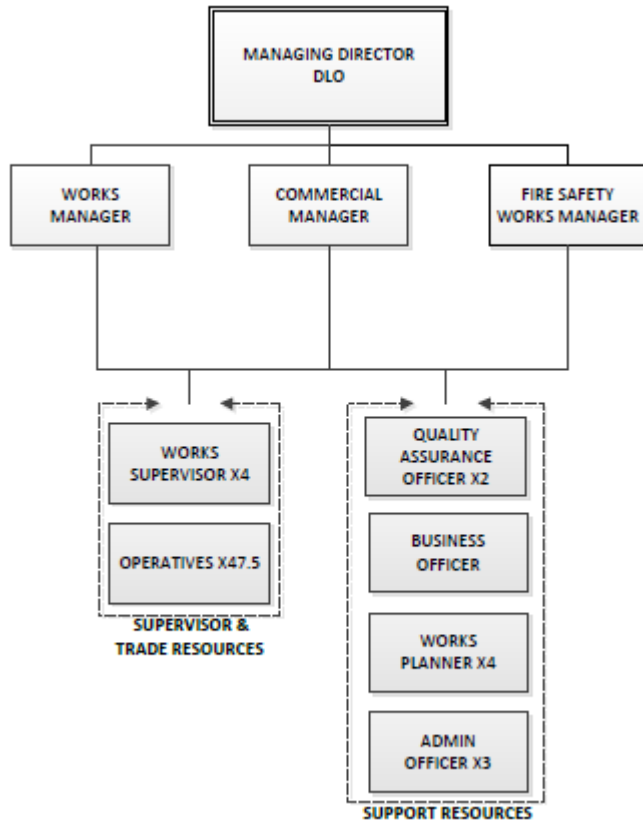
Appendix 1 – Customer Service Centre structure chart



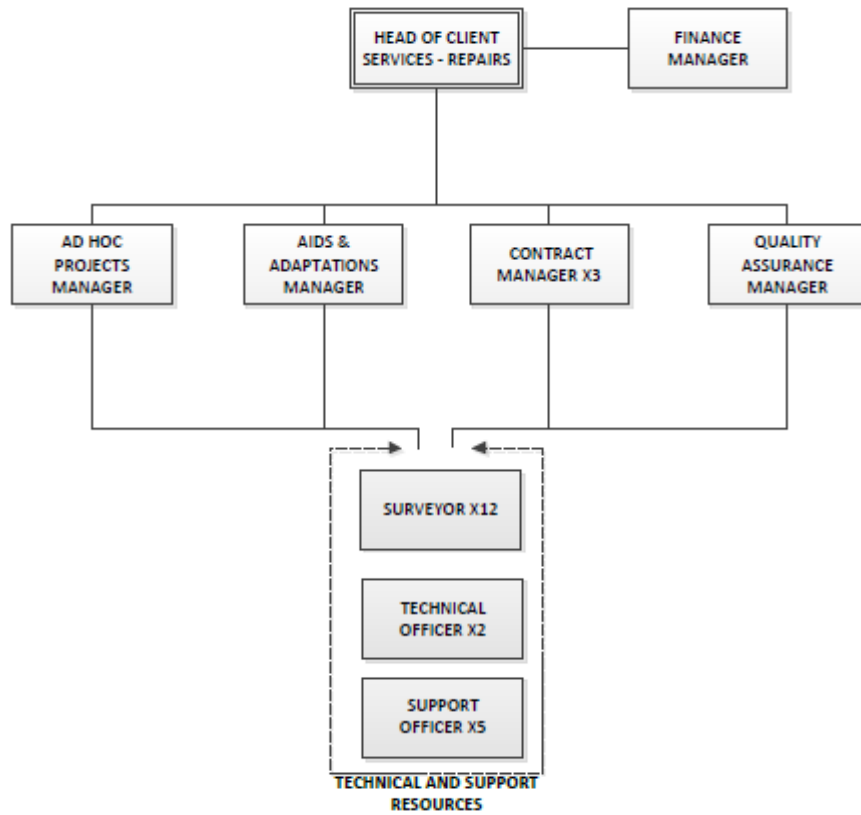
Appendix 2a – DLO structure in month 1



Appendix 2b – DLO structure in month 12



Appendix 3 – Client-side structure chart



# Agenda Item 12

<p><b>London Borough of Hammersmith &amp; Fulham</b></p> <p><b>CABINET</b></p> <p><b>4 MARCH 2019</b></p>	
<p><b>COMMUNITY SCHOOLS PROGRAMME – APPROVAL OF SCHOOL RENEWAL STRATEGY AND PROCUREMENT OF INCLUSIVE DESIGN TEAM</b></p>	
<p><b>Report of the Cabinet Member for Economy and the Arts – Councillor Andrew Jones and Cabinet Member for Children and Education - Councillor Larry Culhane</b></p>	
<p><b>Open report with exempt appendix</b></p> <p>Appendix A is exempt from disclosure on the grounds that it contains information relating to the <b>financial or business affairs of a particular person (including the authority holding that information) under paragraph 3</b> of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	
<p><b>Classification - For Decision</b></p> <p><b>Key Decision: Yes</b></p>	
<p><b>Consultation</b></p> <p>The development of this report has been informed by consultation with governing bodies and headteachers across the school community in Hammersmith and Fulham</p>	
<p><b>Wards Affected:</b> Ravenscourt Park, Avonmore and Brook Green</p>	
<p><b>Accountable Directors:</b> Jo Rowlands, Strategic Director of Growth and Place, and Steve Miley, Director of Children’s Services</p>	
<p><b>Report Author:</b> David Burns, Assistant Director (Growth)</p>	<p><b>Contact Details:</b> Tel: 02087531203 E-mail: david.burns@lbhf.gov.uk</p>

## 1. EXECUTIVE SUMMARY

1.1. This report sets out the rationale for a self-funding programme to renew the borough’s primary school estate, creating fit for purpose 21<sup>st</sup> century schools that:

- help to improve educational outcomes,

- support thriving neighbourhoods, and
  - help to meet the funding challenge facing our school community.
- 1.2. Since the Building School for the Future programme was halted in 2010, capital for investment in the Community School estate has been minimal, with no significant central government investment to rebuild or refurbish Community Schools. This means that many of our children are being taught in buildings that are beyond their anticipated life span. In the absence of a national programme, the Council, in collaboration with headteachers and governing bodies across the borough has identified the potential to renew a number of the borough's primary schools. The funding to rebuild and provide modern and fit for purpose school buildings would be generated from a better utilisation of existing school sites, including, developing a mix of genuinely affordable housing and private housing
  - 1.3. The leadership of Flora Gardens Primary School in Ravenscourt Park ward and Avonmore Primary School in Avonmore and Brook Green ward have been in discussion with the Council over how best to renew their estate to improve outcomes for their pupils. Initial feasibility work suggests potentially viable schemes which would enable us to build new schools, using contemporary design, that supports richer curriculum delivery, improving educational outcomes and experience for the borough's children.
  - 1.4. The housing built to fund the school development would be mixed-use development, 50% of which would be genuinely affordable.
  - 1.5. This report provides authority and budget provision to appoint a design team to develop briefs and progress to planning stage.
  - 1.6. Further schools across the borough will also have potential for renewal. Work is ongoing to develop proposals with headteachers and governing bodies. The report also outlines the potential from the wider programme and sets out work to progress this.

## **2. RECOMMENDATIONS**

- 2.1. That Cabinet approves the strategic case for a school renewal programme which has three core aims:
  - to re-provide modern, fit for purpose schools to support the borough's ambition to give children the best start in life;
  - to support the funding of education in Hammersmith and Fulham including the future repair and planned maintenance requirements across the school community; and
  - to fund school development through the creation of badly needed affordable housing which will help maintain the borough's vibrant social mix.
- 2.2. That Cabinet approves Flora Gardens Primary School and Avonmore Primary Schools being the first projects within this programme and that further work be

undertaken to produce a business case and proceed to planning application stage as appropriate.

- 2.3. That Cabinet approve the procurement strategy to appoint a design team, client design advisor, and cost consultant for the re-provision of Flora Gardens Primary School and Avonmore Primary School as set out in the exempt Appendix A, and delegate the decision as to which of the two recommended frameworks to use to the Strategic Director for Growth and Place.
- 2.4. That Cabinet approves associated budget of up to £2,534,757 required for the initial business case, design and survey costs.
- 2.5. That Cabinet approves the design and survey costs of up to £2,534,757 will be funded from grants, developer contributions and reserves and delegates identification and approval of funding to the Strategic Director of Finance and Governance in consultation with the Cabinet Member for Finance and Commercial Services.
- 2.6. That Cabinet approves the initial allocation of £506,000 of the total £2,534,757, from unallocated capital grant balances to fund design and survey costs to RIBA stage 1 (outline scheme plan).
- 2.7. That Cabinet delegates the decision to commit expenditure to progress from RIBA stage 1 (outline scheme plan) to RIBA stage 3 (developed design) to the Strategic Director for Growth and Place, in consultation with the Strategic Director for Finance and Governance and the Strategic Director for Children's Services.
- 2.8. To delegate the award of the contract for design services to the Strategic Director for Growth and Place in consultation with the Cabinet Member for the Economy and the Arts.
- 2.9. That Cabinet notes the recommended approach to stakeholder and resident engagement in the design process.

### **3. REASONS FOR DECISION**

- 3.1. Enables the Council to renew school buildings and help improve Children's educational outcomes in the absence of any coherent and funded central government approach to the school estate.
- 3.2. The decisions establish the strategic rationale for the wider school renewal programme, providing a policy framework that anchors future collaboration between the Council and the wider school community in a set of common objectives.
- 3.3. The decisions are required to allow the Council to tender the appointment of a multi-disciplinary design team for professional consultants to move forward a detailed design for the two schools to allow the Council to submit a planning application and determine final business cases for each scheme.



## 4. PROPOSAL AND ISSUES

4.1. The 2018-2022 Business Plan sets out clear priorities around improving and supporting schools in the face of ongoing funding reductions. This requires creative approaches to bridge the gap. The Industrial Strategy aims to promote a model of inclusive growth which recognises the key role of schools in equipping residents with the skills and capability to benefit from the dynamism of our local economy. Learning spaces that facilitate the borough's children acquiring the skills necessary to compete successfully in the future knowledge economy will be critical.

4.2. Hammersmith and Fulham has high performing and popular schools, with results at primary stage the fourth best in the country. To maintain and further accelerate standards for education in the borough, improvement in our school estate will be necessary. Much of the current estate is not fit for purpose, with post-war prefabricated buildings that do not match our ambition for excellence in teaching, learning and pupil wellbeing. As well as reducing future maintenance burdens, improving the physical environment benefits children's education by:

- Providing environments that contribute to improving children's self-esteem and self-worth
- Improving the flexibility of classroom space to meet new expectations around an agile curriculum, in line with the emerging OFSTED framework
- More creative use of play space to support healthy school outcomes
- Aiding teacher recruitment and retention, by providing modern fit for purpose working environments
- Improving inclusion, by designing sufficient space and facilities for learners requiring extra support

4.3. There are a range of factors which go into making a successful school, from strong leadership, to the quality of teaching and learning, but there is strong evidence on the link between capital investment, well-designed school estates, and educational outcomes. Research, summarised by the Chartered Institute of Building Engineers (CABE) shows that:

- 'well-designed' school buildings are associated with an uplift of 11% in test scores;
- modernised buildings have a strong influence on staff morale, pupil motivation, and effective learning time;
- ageing school buildings in a poor state of repair cannot meet modern teaching and learning methods effectively; and
- 9 in 10 teachers believe school design is important, and 1 in 5 teachers have considered quitting because of the condition of school buildings.

4.4. Building new school premises provides an opportunity to improve overall community usage, designing in features that allow greater and more varied occupancy for all residents. This includes making use of the schools as

community assets, ensuring they are accessible outside of the school day and in holidays.

- 4.5. Badly needed affordable housing can also support our approach to attracting and retaining the best teachers, with some units earmarked for key worker housing.
- 4.6. There are also opportunities to redesign back-office spaces to support efficiencies and improvement to how school support services are organised.

#### The revenue and capital challenge for our school community

The future outlook for capital investment in Hammersmith and Fulham schools is poor. Government spending on school building fell by 60% between 2010 and 2016, with the cancellation of over 700 Building Schools for the Future (BSF) projects, and the entire £7 billion Primary Capital Programme. A replacement Priority School Building Programme (PSBP) was established in 2011, aimed at improving school buildings in the very worst conditions, but is heavily oversubscribed and there is no realistic prospect of accessing this fund in the near future. At the same time, Hammersmith's stock condition surveys show a funding gap for school maintenance of circa £17m, after assumed investment of £13.9m from existing balances and anticipated school capital allocation. Government investment is not matching pupil need or local ambition to provide the very best education for our children.

#### The strategic opportunity from a school renewal programme

- 4.7. Elsewhere in London, local authorities and school leaders have responded to the absence of capital funding from central government by leveraging local land values for investment in school estates. Broadly, this has involved the intensification of the use of the school estate where high land values mean that construction of housing can fund a renewal or refurbishment of school buildings. Equally, innovative local authorities have sought to use land and property holdings to address revenue challenges, capturing the income or capital receipt from development by developing assets directly or through wholly owned companies and benefiting from the resulting revenue streams and capital this has created. This has required local authorities, through company vehicles, to take on some risk and consequent reward from private sale and to utilise their borrowing capacity.
- 4.8. In Hammersmith and Fulham, the primary school estate comprises two broad categories of school, Victorian London Board Schools which are compact, often listed or of architectural interest, and expensive to maintain with little potential to re-develop; and, secondly, post-war builds which use land poorly, carry substantial maintenance liabilities, are not well configured for teaching and learning. The latter have major redevelopment potential.
- 4.9. The programme strongly supports the strategic objectives set out in the School Organisation Plan to make our schools the first choice for parents by enhancing the education environment. The potential benefits to the borough and to the

Council presented by renewal of the estate, funded by development of homes is substantial. The core drivers for the programme compromise a mixture of strategic and financial drivers. These are summarised below:

#### Strategic drivers

- The potential to renew key community assets so that they are modern, fit-for-purpose schools which can support improved teaching and learning outcomes; and
- Leveraging Council land to increase the supply of affordable homes, contributing to London Plan targets and the administration's commitment to delivery 1,500 new genuinely affordable homes.

#### Financial drivers

- Lower life-cycle maintenance costs of re-provided schools to reduce costs;
- Avoidance of major planned maintenance;
- The potential for cash receipts to invest across the wider school estate, subject to viability and business case; and
- The potential for future income to help support a level of education funding which matches our ambition for young people by retaining new assets for private and intermediate rent.

4.10. To achieve these rewards, the Council will need to establish its appetite towards private sales risk and to the utilisation of its capacity to borrow. Any company vehicle established, or re-purposed from existing vehicles, will need robust underpinnings with strong governance and financial controls. The Council will also need to ensure it has sufficient capacity and capability in its development function, and that support functions such as finance, legal and procurement are able to provide support and analysis to enable effective decision making with a clear are sufficiently mature in their understanding of risk, reward, and process.

4.11. These strategic issues are being considered as part of the development of a wider Asset and Growth Strategy. This is in the early stages of development, reviewing opportunities from General Fund and HRA land to bring forward additional housing and income-generating assets. The Strategy will report to Cabinet in the summer of 2019.

#### Flora Gardens Primary School

4.12. Flora Garden's Primary School is a one form entry school located by Ravenscourt Park station. The existing school was built in 1960 after the original building was damaged by a bomb during the war. There is a children's centre within the south-eastern centre of the site which was built in 2008. The wider site abuts the Flora Gardens Estate, including a former laundry building which is now in use as a Tenant and Resident Association (TRA) hall (though not currently accessible or Disability Discrimination Act compliant).

4.13. Following dialogue with the school, the Council has commissioned feasibility work from architects in order to establish the potential financial viability of a

scheme. In accordance with the Council's development gateway process, this initial work does not establish financial viability or detailed design parameters for a scheme, or whether there are legal issues around the title to the land which could affect future use proposals. It does however give sufficient confidence about a future financial and strategic business case to enable the Council to commit funds to a process which will enable a viable scheme, meeting the requirements of the Council and the Governing Body, to be submitted for approval.

- 4.14. Engagement with the Governing Body has established an initial set of priorities for the school. The development of a detailed design brief incorporating some or all of these requirements will require a process of collaboration to further define the school's vision, working with pupils, staff and other local stakeholders to understand the relationship between the building's design, teaching and learning aims, and the school's ethos. It will also establish what is financially feasible, and the inherent trade-offs between space for educational use, and the housing component which will provide the funding for the re-provision of the school.
- 4.15. The Council is strongly committed to the principles of inclusive design and recognises the need for strong support to the school to support it to further define its requirements. Subject to further scoping, the Council and the schools will consider the appointment of an individual lead consultant who can act as a Client Design Advisor (CDA), providing independent advice to the school and the Council. The lead consultant will be jointly chosen with the leadership of Flora Gardens and will have experience with complex school building projects and the ability to work with staff, governors, pupils and the local community to define their needs and aspirations, and to ensure they are fully achievable. This model of advice has been evidenced to support excellence in design and maximise educational outcomes.
- 4.16. The engagement process will also include discussion with Tenants and Residents Association (TRA) for the Flora Gardens estate on the basis that the existing tenants' hall may be able to be re-provided as part of the wider scheme. A nearby Children's Services facility, the Haven on Dalling Road, will also be considered and relevant stakeholders consulted so that the maximum benefit can be achieved by looking at all local community assets.

#### Avonmore Primary School

- 4.17. Avonmore Primary School is a one form entry school located in the east of the borough. The existing school site comprises a post war single storey flat roof school building, with single aspect classrooms and remains unaltered from its original design. The wider site includes a two storey Victorian school keeper's cottage, a single storey early years block, and a single storey portacabin overflow classroom.
- 4.18. Following discussions between the school and the Council, the Council has commissioned feasibility work to establish if there is a potentially viable scheme which would help further the objectives of the school. As with Flora Gardens,

initial modelling demonstrates there is sufficient land value to make a scheme potentially viable, and to give the Council confidence to commit funds to enable the school and the local authority to work together to develop development of a planning brief. These will incorporate the same principles of inclusive design and co-production described above in relation to Flora Gardens.

## **5. OPTIONS AND ANALYSIS OF OPTIONS**

- 5.1. There are options with regard to progressing the schemes in principle and the wider programme, and in relation to the way in which design services are procured. The options in relation to procurement are set out in the exempt appendix A. The options about proceeding in principle with the initial schemes and the wider programme are considered below.

### **Option 1 – do nothing**

- 5.2. This option is not preferred. Our school estate features a number of prefabricated buildings, built after the second world war. These buildings are past their intended life span and make it harder for our schools to deliver an excellent education. Without the Community Schools Programme another generation of Hammersmith and Fulham children will miss the opportunity to be educated in modern, fit-for-purpose schools. Schools will also experience greater financial pressures with money diverted from teaching resources into maintaining and repairing buildings.
- 5.3. It would also mean that the Council and the wider school community would not benefit from income generated through market rent of homes built, and an opportunity to provide badly needed additional affordable homes in the borough would not be taken. Conversely, the Council would avoid the potentially abortive costs of design work which may not result in a viable scheme reaching planning or construction stage.

### **Option 2 – progress in principle with the schemes, subject to a gateway process to manage financial risk**

- 5.4. This is the preferred option. There is a clear need for re-provision of the schools, with governors and the local authority clear about the potential educational benefits of modernised schools as well as the financial benefits of avoiding investment in existing planned maintenance and reductions in future running costs.
- 5.5. Management of financial and development risk will be through a gateway process which enables the Council and schools to review feasibility and the financial case before committing additional investment. This is set out briefly below, with stages 1-3 requiring Cabinet decisions:

Gateway 0	Feasibility Stage	Identification of the Opportunity
Gateway 1	Strategic Outline Business Case	Approval to procure and appoint consultant team
Gateway 2	Outline Business case	Approval to submit planning application
Gateway 3	Final Business Case	Approval to enter into contract
Gateway 4	Completion	Review at both completion and final account, to include lessons learned

- 5.6. There is sufficient evidence to proceed to gateway 1 and approve initial budgets to progress towards a planning application. Any future costs and risk would be managed through additional approvals, in line with the Council's Constitution and Financial Regulations.
- 5.7. In order to manage the risk of potentially abortive costs, the Council will determine the viability of progressing to RIBA stage 3 (a comprehensive design enabling submission of a planning application) when an outline design has been developed (outline design is RIBA stage 1). This decision will be taken by the Director of Growth and Place in consultation with the Strategic Director for Finance and Governance and the Strategic Director for Children's Services.
- 5.8. Indicative planning would suggest a planning application and outline business case could be submitted to the Council for each individual scheme in September 2020.

## **6. CONSULTATION**

- 6.1. Representatives from the Council and the borough's school have discussed the potential for a school renewal programme at a number of School Partnership meetings at the end of 2018 and in January 2019. Leadership teams and governing bodies have been consulted on the opportunity on specific sites.
- 6.2. A Client Design Advisor (CDA) role will ensure the final plans meet their needs and are agreeable to the school, and achieve the project objectives of improving educational outcomes for children.
- 6.3. Requirements for further formal consultation under the Education Acts will also need to be complied with.
- 6.4. Statutory consultation of residents effected by the proposed schemes is built into the planning process, but the Council envisages an inclusive design process which actively involves all interested parties at the earliest possible stage. This can form part of the required consultation under the Housing Act 1985, S.105, which requires the Council to consult with secure tenants who are likely to be substantially affected by matters of housing management

(defined to include the provision of amenities - such as the communal hall at Flora Gardens Estate and any proposal to expand the estate).

## **7. EQUALITY IMPLICATIONS**

- 7.1. It is not anticipated that this strategic approach to renewing the borough's school estate, or the procurement strategy for design works, will have any direct negative impact on any groups with protected characteristics, under the terms of the Equality Act 2010.
- 7.2. *Implications completed by Peter Smith, Head of Policy & Strategy, tel. 020 8753 2206.*

## **8. LEGAL IMPLICATIONS**

- 8.1. This report is seeking approval for a new programme of school renewal which will also see provision of housing and aims to provide the Council with a revenue stream or capital receipt. The report describes steps taken to establish initial feasibility at two schools and seeks approval for this work to be taken further as part of the programme.
- 8.2. The service department are recommended to commission Legal Services as soon as possible to investigate title to the land at the two schools, to check ownership, the existence of any restrictive covenants and the purpose for which the land is held.
- 8.3. There are also statutory consultation requirements under both the Education Acts and section 105 of the Housing Act 1985, in addition to planning application consultation.
- 8.4. The report also seeks approval for the Procurement Strategy in the exempt Appendix A. It is a requirement of Contract Standing Order 8.12 that Cabinet approves the Procurement Strategy and Business Case for all procurements exceeding £100,000 in value.
- 8.5. The proposed procurement exceeds the EU threshold for services so will need to be procured in accordance with the EU rules. Here it is proposed to use one of two frameworks – as the decision as to which will be more appropriate has not yet been taken, it is proposed to delegate the choice of this to the Strategic Director.
- 8.6. Legal Services will also need to review both frameworks to ascertain if there are any issues around their use, for example to ensure that they were established in compliance with the EU rules and that the proposed use is not outside the scope of services for which the framework was established.
- 8.7. Assuming that the proposed call-off from the selected framework and award of contract happens before any Brexit date, then the call-off will be unaffected. If however this does not happen before Brexit, and there is no withdrawal agreement setting up a transition period, then the Cabinet Office has indicated

that there will be UK regulations to explain how to deal with procurements that have started before Brexit but not completed. However, where use is made of an existing framework, the impact is expected to be minimal.

- 8.8. The Cabinet Member is able to approve the award of contracts up to £5m in value pursuant to Contract Standing Order 17.3, provided that the price of the recommended tenderer is not more than 10% above or below the estimated value set out in the Procurement Strategy.
- 8.9. *Implications completed by Deborah Down, Senior Associate, tel. 020 7405 4600.*

## **9. FINANCIAL IMPLICATIONS**

- 9.1. Pump Priming investment of £506,000 is available from remaining uncommitted and non ring-fenced Children's Services capital balances. It is expected that this capital funding would be repaid upon the realisation of benefits of this regeneration scheme to be made available for future children's or education capital investments.
- 9.2. The initial investment funding available would fund activity up to RIBA stage 1, which is approximately 20% of total proposed budget. This report approves expenditure up to the £506,000 available funding across both schemes within scope.
- 9.3. Expenditure or commitments above the £506,000 level would require a decision report of the Strategic Director of Growth and Place in consultation with the Strategic Director of Finance and Governance and the Director of Children Services and following a gateway review before RIBA stage 2 and subject to evidence of a continuing business case. The procurement process and appointment will need to reflect the ability to terminate the contracts should the schemes not progress through the gateway process.
- 9.4. Financing of further expenditure would need to be identified as part of subsequent gateway and decision processes, but would be expected to come from existing council resources, grant funding, developer contributions, reserves or borrowing.
- 9.5. The initial investment of £506,000 represents an opportunity cost in the medium term as other potential capital initiatives foregone. In the case that RIBA stage 1 costs are abortive, the capital funding would not be available for future investment. This risk is balanced against the significant opportunity set out in this report.
- 9.6. It should be noted that the regeneration proposals, should they proceed, will result in significant cost avoidance in terms of planned and reactive maintenance, health and safety and other capital works at both schools sites



9.7. *Financial Implications reviewed by Tony Burton, Head of Finance Children's and Education, tel. 020 8753 5405. Implications verified by Emily Hill, Assistant Director, Corporate Finance, tel. 020 8753 3145.*

## **10. IMPLICATIONS FOR BUSINESS**

- 10.1. It is proposed that established relevant frameworks and DPS arrangements are utilised to select design services to ensure high quality and to proceed at pace. Opportunities for local SMEs are likely to be created in future phases.
- 10.2. *Implications completed by Albena Karameros, Economic Development, tel. 020 8753 8583.*

## **11. COMMERCIAL IMPLICATIONS**

- 11.1. The value of the procurement is over the statutory threshold for services. Therefore, full procurement regulations apply. However, the preferred options propose calling off from an established Dynamic Purchasing System and an established framework agreement, both having met the criteria of being OJEU compliant.
- 11.2. The recommendations are also compliant with the Council's Contracts Standing Orders (CSOs).
- 11.3. The procurement and legal teams will need to confirm the terms and conditions before the call off process, to ensure compliance with Council's terms and conditions.
- 11.4. Social value will be evaluated as part of the awarding criteria and will constitute 10% of the Quality Assessment (70%).
- 11.5. A Privacy Impact Assessment (PIA) must be conducted and signed by the relevant officers before starting the procurement exercises, to ensure compliance with GDPR policies.
- 11.6. The call off and the evaluation process shall be conducted on the Council's e-tendering portal.
- 11.7. A Directors Decision report must be approved for awarding the contract following the procurement exercise, in accordance with recommendation 2.5.
- 11.8. *Implications completed by Andra Ulianov, Procurement Consultant, tel. 0208 753 2284.*

## **12. IT IMPLICATIONS**

- 12.1. There are no apparent IT implications resulting from the proposal in this report
- 12.2. *Implications verified/completed by: Karen Barry, Strategic Relationship Manager, tel. 0208 753 3481.*

### **13. RISK MANAGEMENT**

13.1. *Strategic* risks are addressed in sections 4 of the report that also identify issues with the condition of the properties and significant revenue challenges with funding the Council's ambition for the education of young people in Hammersmith and Fulham. The opportunity here is to realise the potential education benefits of a modernised school as well as the financial benefits of avoided investment in planned maintenance and reduced running costs that may result in potential health and safety issues.

13.2. There are a number of programme risks associated as follows:

- Risk that architect will not be appointed
- Risk of challenge by consultants not on the DPS
- Risk of tender price being unaffordable
- Risk of delay
- Wider risks within the programme which will be the subject of discussion and decision at later stages e.g. sales risk, rental risk etc.

13.3. *Implications verified by: Michael Sloniowski, Risk Manager, tel. 0208 753 2587*

### **14. BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

None

#### **LIST OF APPENDICES:**

Exempt Appendix A - Procurement Strategy for Design Team for Flora Gardens Primary School and Avonmore Primary School

<p style="text-align: center;"><b>London Borough of Hammersmith &amp; Fulham</b></p> <p style="text-align: center;"><b>CABINET</b></p> <p style="text-align: center;"><b>4 MARCH 2019</b></p>	
<p><b>PURCHASE THE FORMER WHITE CITY HEALTH CENTRE ON WHITE CITY ESTATE FROM NHS PROPERTY SERVICES</b></p>	
<p><b>Report of the Cabinet Member for the Economy and the Arts – Councillor Andrew Jones and the Cabinet Member for Housing – Councillor Lisa Homan</b></p>	
<p><b>Open Report with an Exempt Report</b></p> <p>Appendices 2 and 3 are currently exempt from disclosure on the grounds that they contain information relating to the <b>financial or business affairs of a particular person (including the authority holding that information) under paragraph 3</b> of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	
<p><b>Classification - For Decision</b></p> <p><b>Key Decision: Yes</b></p>	
<p><b>Consultation</b>  <b>Equalities, Legal, Finance, Business, Commercial, IT, Risk</b></p>	
<p><b>Wards Affected: Wormholt and White City</b></p>	
<p><b>Accountable Director: Jo Rowlands, Strategic Director of Growth &amp; Place</b></p>	
<p><b>Report Author:</b>  <b>David Burns, Assistant Director – Growth</b></p>	<p><b>Contact Details:</b>          Tel: 020 8753 6090          E-mail: <a href="mailto:David.Burns@lbhf.gov.uk">David.Burns@lbhf.gov.uk</a></p>

## 1. EXECUTIVE SUMMARY

- 1.1. The White City Health Centre has been declared surplus to requirements by NHS property services.
- 1.2. The council is the freeholder for the majority of the sites except for the former White City Health Centre which is owned by NHS Property Services (NHS PS). The council wishes to acquire the Property so that it can develop new housing on the site.

- 1.3. The council could also consider the site as part of wider development proposals for the area. Prior to developing any plans for the site, the council will complete a consultation process with local residents. A Cabinet Report will be presented later in 2019 to set out the council's approach towards engagement.

## **2. RECOMMENDATIONS**

- 2.1. To agree to delegate authority to the Strategic Director of Growth & Place in consultation with the Cabinet Member for the Economy and the Arts, the Cabinet Member for Housing and the Assistant Director of Legal and Democratic Services, to negotiate with the NHS Property Services and finalise any legal documents necessary to complete the purchase of the site.
- 2.2. To acquire the White City Health Centre and note that the initial valuation set out in the exempt Appendix 2 is subject to further negotiations. The authority to commit to this budget to purchase the site is partly from the existing approved capital budget for Decent Neighbourhood Schemes.
- 2.3. To approve an addition to the Capital Programme Decent Neighbourhood Schemes to be funded from RtB 1-4-1 receipts and borrowing in respect of this purchase.

## **3. REASONS FOR DECISION**

- 3.1. The acquisition of this adjoining site to the White City Estate area will provide the opportunity to develop new affordable housing. It will also allow the council to consider a more comprehensive development approach in the area, rather than a piecemeal approach, considering all the council's non-residential property. Any development will support delivery of strategic goals for the council in respect of affordable housing provision.
- 3.2. This parcel of land could unlock an opportunity to deliver potentially 280 new homes across a number of sites, of which 50% would be affordable. There is high demand in the borough for affordable housing.
- 3.3. The redevelopment of the area will result in more efficient uses of the borough's land. The key to achieving this will be:
  - Providing genuinely affordable housing in the borough
  - Creating places of higher density in appropriate locations to get more out of limited land
  - Encouraging a mix of land uses
  - Co-locating different uses to provide communities with a wider range of services and amenities
  - Re-provision of open space and play space

## **4. PROPOSAL AND ISSUES**

### **Site:**

- 4.1. The White City Health Centre is owned freehold by NHS Property Services Ltd (NHS PS). The property adjoins the council's existing freehold interest in the White City Estate area. The site comprises of a two-storey building and open green space (see Appendix 1 – site plan).
- 4.2. The White City Health Centre moved its operation in 2013 to Bloemfontein Road following the redevelopment of the area. The site has since been occupied by Property Guardians and managed by NHS PS.
- 4.3. NHS PS have informed the council that the sale needs to be completed by the end of the financial year. The council will also be progressing consultation with residents on wider development proposals on White City, which will be set out in a further Cabinet Report and will need details of whether to include this parcel of land.
- 4.4. Lambert Smith Hampton (LSH) are acting on behalf of the council to negotiate the land deal and co-ordinate site surveys as part of the due diligence process for acquiring a site. The budget for this work is within the Strategic Director's delegated authority and has been approved.

#### **Wider Transformation of the White City Area:**

- 4.5. There has been major development in the wider White City area in recent years. The council has made a commitment to make sure everyone benefits from the new jobs and investment.
- 4.6. The multi-billion-pound transformation includes thousands of new jobs at Westfield London, more than 500 new genuinely affordable homes, a booming media centre, a thriving tech hub, ultra-fast broadband infrastructure and a new education hub.
- 4.7. The council aims to deliver significant growth opportunities in White City for existing residents and new businesses, private and social housing, jobs and infrastructure as outlined in its Industrial Strategy 2017.

### **5. OPTIONS AND ANALYSIS OF OPTIONS**

- 5.1. Option 1 – Do nothing – leave the White City Health Centre site in its current use and the NHS PS to sell the site onto another organisation.

This option would also reduce the potential benefits available to the council from a comprehensive development, by reducing the land available for housing and other uses, and preventing value generating uses that will support a comprehensive scheme, while constraining the value of the council's current land holdings.

- 5.2. Option 2 – Purchase the site from NHS PS through negotiation and using external advisers/valuers – to allow the future development of the site to provide

affordable housing and comprehensive place making. The property has not been advertised for sale and this would be an “off market” purchase.

In the event that a wider development does not go ahead, if the site were on the open market, it would be a justified investment for the council to purchase the site on the basis set out below:

- The site is located on the White City Estate where the council is the freeholder of the area.
- The council's Industrial Strategy sets out how the council will drive growth in the White City area and the introduction of a range of economic activity.
- Even without an alternative development proposal, for example if the wider White City sites remained as they are, investment is still justified. The council would be able to dispose of the land but place conditions as to how, in what uses and when the land would be redeveloped. The council would also achieve planning for the site and dispose of the land.

Option 3 – Purchase the site on the open market. The council could register interest in the Property during its listing period on e-PIMS as a purchaser and on agreement of terms, acquire on the basis of Market Value. NHS PS have advised the council that they will progress direct negotiations with the council as a special purchaser.

- 5.3. Option 2 is the recommended option to deliver a comprehensive scheme for the reasons identified in section 4.

## **6. CONSULTATION**

- 6.1. A communication and consultation strategy will be developed by the Housing Service, Growth Service, and corporate communication teams.

## **7. EQUALITY IMPLICATIONS**

- 7.1. It is not anticipated that there will be any negative impact on any groups with protected characteristics, under the terms of the Equality Act 2010, from the purchase of these premises.

*Implications completed by Peter Smith, Head of Policy and Strategy, tel. 020 8753 2206*

## **8. LEGAL IMPLICATIONS**

- 8.1. The Local Government Act 1972 section 120 empowers the council to acquire by agreement any land inside or outside its area:

(1) For the purposes of:

- (a) for the purposes of its functions under any enactment, or
- (b) for the benefit, improvement, or development of its area,

(2) The council may acquire by agreement any land for any purpose for which they are authorised by this or any other enactment to acquire land. Notwithstanding that the land is not immediately required for that purpose; and, until it is required for the purpose for which it was acquired, any land acquired under this subsection may be used for the purpose of any of the council's functions.

8.2. Local Government Act 2003 section 12 gives local authorities' power to invest. It provides that a local authority may invest:

- (c) for any purpose relevant to its functions under any enactment, or
- (d) for the purposes of the prudent management of its financial affairs.

*Implications verified/completed by: (Rachel Silverstone, Senior Solicitor, tel. 0208 753 2210.*

## **9. FINANCIAL IMPLICATIONS**

9.1. There is a requirement to complete the acquisition of the site this financial year. Independent market valuation undertaken by LSH indicate the acquisition costs for the White City Health Centre which are set out in the exempt Appendix 3 - Report, subject to negotiation with the NHS.

9.2. Following the site acquisition, the council is likely to incur ongoing maintenance costs prior to the completion of the re-development of White City Estate. The nature of these costs are not yet known at this stage but it is anticipated that costs will be provided for within the relevant revenue budget and/ or development project costs.

### **Financial Risks**

9.3. The development on the White City Estate is a long-term project. There is a risk that the development may not proceed as envisaged. In which case the council will consider re-developing the acquired site only, retain site for other use or dispose it.

9.4. Further financial implications are contained within the exempt Appendix 2.

*Implications completed by: Carol Maduka, Interim, Finance Manager, Growth and Place, tel. 020 8753 6462.*

*Implications verified by: Emily Hill, Assistant Director, Corporate Finance, tel. 020 8753 3145.*

## **10. IMPLICATIONS FOR BUSINESS**

10.1. There are no immediate implications for local businesses arising from the acquisition of the property.

*Implications verified/completed by: Albenia Karameros, Economic Development Team, tel. 020 7938 8583.*

## **11. COMMERCIAL IMPLICATIONS**

- 11.1. There are no direct procurement implications resulting from this report as they make reference to a land deals which is not covered by the PCR 2015.
- 11.2. Procurement implications will be provided as part of the following proposals to consult with residents and progress with any wider development plans for White City Estate area, assuming third party contractors will be used.

*Implications verified/completed by: Andra Ulianov, Procurement Consultant, tel. 020 8753 2284.*

## **12. IT IMPLICATIONS**

- 12.1. IT Implications: There are not apparent IT Implications resulting from the proposal in this report.

*Implications verified/completed by: Karen Barry, Strategic Relationship Manager, tel. 020 8753 3481.*

## **13. RISK MANAGEMENT**

- 13.1. The proposal contributes to meeting our Residents Needs and Expectations specifically the following council's Priorities and Strategy;
  - Building shared prosperity - we'll support everyone to thrive by building genuinely affordable housing for residents, not overseas investors.
  - The council's Industrial Strategy which sets out how the council will drive growth in the White City area and the introduction of a range of economic activity.
- 13.2. A red book valuation is the name that is given by practitioners to a valuation report that adheres to the Royal Institution of Chartered Surveyor's Valuation Professional Standards, also known as the Red Book. The valuation standards are a set of mandatory rules and guidelines for RICS Registered Valuers to follow when they are undertaking valuations.
- 13.3. NHS Estatecode provides guidance to NHS Organisations on Managing their estate, including acquisitions and disposals of owned or leased land and property. Overage provisions can be either "positive" or "negative". "Positive overage" involves the buyer promising to make a further payment to the seller if a particular specified event should occur, whereas "negative overage" involves the seller imposing a mechanism to prevent a particular development or change of use. The structure and details of the overages are to be agreed as part of negotiations of transaction terms, and may impact on the purchase price agreed.



13.1 A summary of the high-level risks are set out below:

<b>Risk</b>	<b>Mitigation</b>
The site is sold to an alternative public-sector organisation on ePIMS or in the open market to a private sector purchaser.	Maintaining open and regular communication with NHS PS and working to agree terms of a transaction. Once terms are agreed, contracts to be exchanged as quickly as possible.
Consultation with key stakeholder groups and residents is fundamental to the success of the proposed redevelopment	A communications strategy will be developed for the scheme and will engage all stakeholders at an early stage and maintain this throughout the process
The wider redevelopment doesn't obtain planning permission	<p>Working closely with local residents and key stakeholders to enable the wider benefits of the redevelopment.</p> <p>The council can develop the site as a standalone scheme for affordable housing through its Framework or as a direct delivery scheme.</p> <p>The council can achieve planning for the standalone site and sell it on to another provider.</p>

*Implications verified/completed by: Michael Sloniowski Risk Manager, tel 020 8753 2587, mobile 07768 252703.*

## 14. OTHER IMPLICATIONS PARAGRAPHS

### Timetable

14.1. A high-level timetable is provided as a guide below:

Action	Target date
Cabinet approval to purchase site	March 2019
Purchase site	March 2019
Cabinet approval to engage and consult residents about the wider White City redevelopment	April 2019

### **Meanwhile use**

- 14.2. If the site is purchased the council will need to consider meanwhile use for the site until a decision has been made by Cabinet following on from consulting residents. This could take up to four years. The site will require refurbishment works and the nature of the extent of these works is not yet confirmed and some ongoing revenue budgets will need to be considered.
- 14.3. The council can explore the following meanwhile uses:
- Affordable business space
  - Property guardians
  - Temporary accommodation
  - Decant site for regeneration schemes or services including Ed City and West King Street Regeneration

### **15. BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

<b>No.</b>	<b>Description of Background Papers</b>	<b>Name/Ext of holder of file/copy</b>	<b>Department/ Location</b>
N/A	N/A	N/A	N/A

### **LIST OF APPENDICES:**


Appendix 1 – Site plan

Appendix 2 – Exempt Elements of the Report

Appendix 3 – Exempt White City Health Centre – Price Advice 25.01.19



# Agenda Item 14

<p><b>London Borough of Hammersmith &amp; Fulham</b></p> <p><b>CABINET</b></p> <p><b>4 MARCH 2019</b></p>	
<b>DIRECT AWARD OF HEALTH VISITING AND SCHOOL NURSING CONTRACTS</b>	
<b>Report of the Cabinet Member for Health and Adult Social Care – Councillor Ben Coleman</b>	
<b>Open Report with Exempt appendix</b>	
<p>Appendix A to this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	
<b>Classification - For Decision</b> <b>Key Decision: Yes</b>	
<b>Consultation: N/A</b>	
<b>Wards Affected: All</b>	
<b>Accountable Director:</b> Lisa Redfern, Strategic Director of Social Care & Public Services Reform	
<b>Report Author:</b> Nicola Ashton, Strategic Commissioner, Public Health	<b>Contact Details:</b> Tel: 020 8753 5359 E-mail: nicola.ashton@lbhf.gov.uk

## 1. EXECUTIVE SUMMARY

- 1.1. This report seeks agreement from Cabinet to waive the application of the Council's Contract Standing Orders (CSOs) and approve the direct award of contract to Central London Community Healthcare NHS Trust (CLCH) from 1 April 2019 to 31 March 2020 with provision to extend for a further period totalling no more than a year. The services include the Health Visiting Service (including Family Nurse Partnership) and the School Nursing Service. The services will be combined into a single contract.
- 1.2. This follows a Cabinet decision in March 2017 that delegated the decision to award CLCH the contracts for these services terminating on the 30<sup>th</sup> September 2018, and a further direct award to CLCH through a Leader's Urgency report in August 2018, for the period 1 October 2018 – to 31 March 2019.

- 1.3. Following delays, the transfer of these services into the Council's subsidiary Family Support company is not due to transfer in the immediate future.
- 1.4. Negotiations have taken place with the current provider and an agreement has been reached for the budget and specification to provide the services under a new contract for a period of up to two years. This is to allow sufficient time for officers to develop and design an integrated model across the new Hammersmith & Fulham sovereign service and to undertake a compliant procurement exercise for the next contract.

## **2. RECOMMENDATIONS**

- 2.1. That Cabinet grants a waiver of the usual tendering requirements of Contract Standing Orders (CSO) on the grounds of extreme urgency and because this is in the Council's overall interests, as provided for in CSO 3, in relation to the School Nursing Service and the Health Visiting Service.
- 2.2. That Cabinet approves a direct award of contract to Central London Community Healthcare NHS Trust (CLCH) from 1 April 2019 to 31 March 2020 with provision for four contract extensions each of three months at the contract price set out in the exempt appendix.
- 2.3. That Cabinet delegates to the Strategic Director of Social Care & Public Services Reform in consultation with Cabinet Member for Health and Adult Social Care the decisions on whether the contract extensions set out in paragraph 2.2 should be exercised.

## **3. REASONS FOR DECISION**

- 3.1. In August 2018 the decision was made, by Leader's Urgency report, to award a further 6-month contract to CLCH up to 31<sup>st</sup> March 2019 for Health Visiting and School Nursing services and to delay the integration of these services in Family Support.
- 3.2. A review led by the Director of Public Health, concluded at the end of December 2018 a longer lead time was needed to develop these services and recommended that to ensure continuity CLCH continue to deliver the contracts in a combined form.
- 3.3. The recommendation followed a successful negotiation and a positive joint exercise with CLCH to develop a strategy and plan to ensure service continuity, provide management resources to meet the requirements of the new sovereign service and keep costs within budget. A direct award is considered necessary to maintain family safeguarding; meet legal, Public Health grant and Care Quality Commission (CQC) requirements and avoid financial risk.
- 3.4. The review found the supplier market is restricted to two providers currently active in this area.
- 3.5. CLCH has excellent governance and high-quality processes and structures. This is endorsed by their recent 2017 'good' Care Quality Commission (CQC)

rating across all five domains: safe, effective, responsive and well led. The CQC specifically reviewed CLCH's Children, Young People and Family services as 'good'.

- 3.6. Throughout the negotiation CLCH were responsive. They are committed to building on existing improvements in performance and being closely involved in the delivery of an integrated, locally sensitive Health Visiting and School Nursing service.
- 3.7. During the proposed contract period, officers from public health and children's services will develop a fully integrated and enhanced service which incorporates Health Visiting and School Nursing service and the Early Help Offer which can then be commissioned as an integrated service.
- 3.8. The proposed contract price has been agreed with CLCH after negotiation based on the original 2016-2018 specification with a re-modelled outcome based specification for year two.
- 3.9. The award of this contract will maintain the service, eliminate any delivery uncertainty, provide dedicated contract management resource within CLCH to work alongside the Council's contract management to address any potential gaps highlighted within previous arrangements, and keep costs within budget.

#### **4. PROPOSAL AND ISSUES**

- 4.1. Health Visiting and School Nursing are both services which the Council is required by law to deliver, which include mandated reviews and checks.
- 4.2. Health Visiting includes five universal health visitor reviews: antenatal, new birth, six to eight-week maternal mental health review; and one and three-year developmental health reviews.
- 4.3. School Nursing also delivers five health reviews: four to five-year-old health needs assessment; ten to eleven-year-old health needs assessment; twelve to thirteen-year-old health needs assessment; school leavers post sixteen health needs assessment and transition to adult services.
- 4.4. These mandated elements will be protected to ensure the same level of provision continues. Complementing the health visiting service is Family Nurse Partnership (FNP), a more intensive support model for first time young mothers aged 19 and under which aims to support them to have a healthy pregnancy, improve their child's health and development and plan their own futures to help them achieve their own aspirations. The FNP service is fully provided for within the contract.
- 4.5. Both services are delivered as part of a 0-18 service offer in the borough and provide a strong universal and targeted offer for children and young people. As part of the oversight of the new arrangements a Transformation Board is being established with CLCH and CCG, resident representatives and other key partners.

- 4.6. Alongside the work of the Transformation Board it is proposed that an integrated and enhanced service will be developed which combines the budget, workforce, practice and operational delivery of the local offer.
- 4.7. Making this direct award will provide sufficient time for officers to design the integrated offer with children's services; with agreed budgets, service specifications and contractual arrangements and gain the necessary approvals. Officers will consult with CLCH and other providers in the market on the design of an integrated service.
- 4.8. The new design will need to be completed and approved before the end of 2019/20. This will ensure that a procurement strategy report can be presented to Members in time for a fully compliant procurement exercise to be carried out to secure a new contract no later than 1 April 2021.
- 4.9. CLCH is experienced in the delivery of Health Visiting (including FNP) and School Nursing services to the local area. They are currently delivering services in line with the contract and have demonstrated willingness to intervene to remedy areas of underperformance. The review of the contract management arrangements assesses them as delivering a good level of service. Working in partnership with them, will enable the Council to remodel a stable, redesigned service over the next one to two years.

## **5. OPTIONS AND ANALYSIS OF OPTIONS**

- 5.1. Three options have been considered.
- 5.2. Analysis of the options concludes that they are not achievable or less desirable than the recommended option.

### **Option 1 - End delivery of services**

- 5.3. This would not be feasible, due to the fact the services in scope are statutory which the authority is required to deliver by law. This is not an option. Ending the current contract would also cause reputational damage and risk of legal claims (see below in the Legal Implications).

### **Option 2 - Open procurement for a contract to start on 1<sup>st</sup> April 2019**

- 5.4. This would not be feasible due to the limited nature of the market and the time it would take to undertake a full procurement exercise, including consultation and considering TUPE implications. Nor does this allow the time for the design of a new integrated model of service delivery.

### **Option 3 - direct award – recommended option**

- 5.5. This is the recommended option which provides stability for service users, residents and workers in this area for a period of up to two years, an agreed contract and specification with CLCH, continuity of service delivery and a new working relationship with CLCH, managed by the Transformation Board. It is considered that due to the time available, such a direct award can be justified on grounds of urgency and interest to the authority. Officers are seeking to rely

on the available urgency exemptions that permit a direct award (see further Legal Implications and Commercial Implications). The recommended minimum period of one year is to be followed by up to four extensions each of three months, with officers working to agree extensions 6 months' ahead to ensure service continuity.

## **6. CONSULTATION**

- 6.1. The new contract will not result in any detrimental changes to service provision during this transition period, accordingly there is no requirement to consult on the new contract.

## **7. EQUALITY IMPLICATIONS**

- 7.1. As required by Section 149 of the Equality Act 2010, the Council has considered its obligations regarding the Public-Sector Equality Duty and it is not anticipated that there will be any direct negative impact on groups with protected characteristics, as defined by the Act, from the award of this contract.
- 7.2. *Implications verified/completed by; Ruth Redfern, Communities Lead, tel. 020 8753 2206.*

## **8. LEGAL IMPLICATIONS**

- 8.1. The Legal Implications are contained within exempt appendix A.
- 8.2. *Legal Implications completed by Deborah Down, Senior Associate, Sharpe Pritchard Solicitors on secondment to the Council  
ddown@sharpepritchard.co.uk.*

## **9. FINANCIAL IMPLICATIONS**

- 9.1. The Financial implications are contained within exempt appendix A.
- 9.2. *Implications completed by Danny Doherty, Finance Manager, tel. 0208 753 4287.*
- 9.3. *Implications verified by Emily Hill, Assistant Director, Corporate Finance, tel. 0208 753 3145.*

## **10. IMPLICATIONS FOR LOCAL BUSINESS**

- 10.1. There are no implications for businesses resulting from this decision.
- 10.2. *Implications verified/completed by Albena Karameros, Economic Development Team, tel. 020 7938 8583.*

## **11. COMMERCIAL IMPLICATIONS**

- 11.1. The Commercial implications are contained within exempt appendix A.



11.2. *Implications completed by: Andra Ulianov, Procurement Consultant, x2284, verified by Simon Davis, Assistant Director Commercial Management, tel. 07920 503651.*

## 12. IT IMPLICATIONS

12.1. If the intention going forward is to develop a fully integrated and enhanced service between Public Health, Children’s Services, Family Support and the CLCH services noted in this proposal, IT Services must be consulted to ensure all necessary safeguards, permissions and budgets are in place. IT Services will require suitable time to ensure application and security requirements are met.

12.2. Information Management (IM) implications: As CLCH will be processing personal data on behalf of H&F, a Privacy Impact Assessment will need to be completed to ensure all potential data protection risks in relation to this proposal are properly assessed with mitigating actions agreed and implemented.

12.3. The contract with CLCH will need to include H&F’s data protection and processing schedule, which is compliant with General Data Protection Regulation.

12.4. *Implications verified/completed by: Karen Barry, Strategic Relationship Manager, tel. 020 8753 3481.*

## 13. RISK MANAGEMENT

13.1. The Risk Management implications are contained within exempt appendix A.

13.2. *Implications verified by: David Hughes, Director of Audit, Fraud, Risk and Insurance on 07817 507695 and 0207 361 2389.*

## 14. BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1	<b>Director Delegated Decision 31 August 2018</b> – Award School Nursing and Health Visiting Contracts to CLCH to 30 September 2018 - published	Danielle Burrowes Strategic Lead	Public Services Reform
2	<b>Leaders Urgency Report 31 August 2018</b> – Award School Nursing and Health Visiting Contracts to CLCH from 1 October 2018 to 31 March 2019 - published	Danielle Burrowes Strategic Lead	Public Services Reform

### LIST OF APPENDICES:

Exempt Appendix A

## **NOTICE OF CONSIDERATION OF A KEY DECISION**

In accordance with paragraph 9 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the Cabinet hereby gives notice of Key Decisions which it intends to consider at its next meeting and at future meetings. The list may change between the date of publication of this list and the date of future Cabinet meetings.

## **NOTICE OF THE INTENTION TO CONDUCT BUSINESS IN PRIVATE**

The Cabinet also hereby gives notice in accordance with paragraph 5 of the above Regulations that it intends to meet in private after its public meeting to consider Key Decisions which may contain confidential or exempt information. The private meeting of the Cabinet is open only to Members of the Cabinet, other Councillors and Council officers.

Reports relating to key decisions which the Cabinet will take at its private meeting are indicated in the list of Key Decisions below, with the reasons for the decision being made in private. Any person is able to make representations to the Cabinet if he/she believes the decision should instead be made in the public Cabinet meeting. If you want to make such representations, please e-mail Katia Neale on [katia.neale@lbhf.gov.uk](mailto:katia.neale@lbhf.gov.uk). You will then be sent a response in reply to your representations. Both your representations and the Executive's response will be published on the Council's website at least 5 working days before the Cabinet meeting.

## **KEY DECISIONS PROPOSED TO BE MADE BY CABINET ON 4 MARCH 2019 AND AT FUTURE CABINET MEETINGS UNTIL APRIL 2019**

The following is a list of Key Decisions which the Authority proposes to take at the above Cabinet meeting and future meetings. The list may change over the next few weeks. A further notice will be published no less than 5 working days before the date of the Cabinet meeting showing the final list of Key Decisions to be considered at that meeting.

**KEY DECISIONS** are those which are likely to result in one or more of the following:

- Any expenditure or savings which are significant (ie. in excess of £100,000) in relation to the Council's budget for the service function to which the decision relates;
- Anything affecting communities living or working in an area comprising two or more wards in the borough;
- Anything significantly affecting communities within one ward (where practicable);
- Anything affecting the budget and policy framework set by the Council.

The Key Decisions List will be updated and published on the Council's website on a monthly basis.

**NB: Key Decisions will generally be taken by the Executive at the Cabinet.**

*If you have any queries on this Key Decisions List, please contact  
Katia Neale on 020 8753 2368 or by e-mail to [katia.neale@lbhf.gov.uk](mailto:katia.neale@lbhf.gov.uk)*

## **Access to Cabinet reports and other relevant documents**

Reports and documents relevant to matters to be considered at the Cabinet's public meeting will be available on the Council's website ([www.lbhf.org.uk](http://www.lbhf.org.uk)) a minimum of 5 working days before the meeting. Further information, and other relevant documents as they become available, can be obtained from the contact officer shown in column 4 of the list below.

## **Decisions**

All decisions taken by Cabinet may be implemented 5 working days after the relevant Cabinet meeting, unless called in by Councillors.

## **Making your Views Heard**

You can comment on any of the items in this list by contacting the officer shown in column 4. You can also submit a deputation to the Cabinet. Full details of how to do this (and the date by which a deputation must be submitted) will be shown in the Cabinet agenda.

## **LONDON BOROUGH OF HAMMERSMITH & FULHAM: CABINET 2018/19**

<b>Leader:</b>	<b>Councillor Stephen Cowan</b>
<b>Deputy Leader:</b>	<b>Councillor Sue Fennimore</b>
<b>Cabinet Member for the Environment:</b>	<b>Councillor Wesley Harcourt</b>
<b>Cabinet Member for Housing:</b>	<b>Councillor Lisa Homan</b>
<b>Cabinet Member for the Economy and the Arts:</b>	<b>Councillor Andrew Jones</b>
<b>Cabinet Member for Health and Adult Social Care:</b>	<b>Councillor Ben Coleman</b>
<b>Cabinet Member for Children and Education:</b>	<b>Councillor Larry Culhane</b>
<b>Cabinet Member for Finance and Commercial Services:</b>	<b>Councillor Max Schmid</b>
<b>Cabinet Member for Public Services Reform:</b>	<b>Councillor Adam Connell</b>
<b>Cabinet Member for Strategy:</b>	<b>Councillor Sue Macmillan</b>

*Key Decisions List No. 75 (published 1 February 2019)*

## KEY DECISIONS LIST - CABINET ON 4 MARCH 2019

**The list also includes decisions proposed to be made by future Cabinet meetings**

*Where column 3 shows a report as EXEMPT, the report for this proposed decision will be considered at the private Cabinet meeting. Anybody may make representations to the Cabinet to the effect that the report should be considered at the open Cabinet meeting (see above).*

\* All these decisions may be called in by Councillors; If a decision is called in, it will not be capable of implementation until a final decision is made.

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision  Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet <i>(other relevant documents may be submitted)</i>
<b>4 March</b>				
Cabinet	4 Mar 2019	<p><b>AWARD OF CONTRACT FOR CONTRACTS AND PROCUREMENT LEGAL ADVICE</b></p> <p>To award the contract to Sharpe Pritchard Solicitors for contract and procurement legal advice from 1st April 2019.</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	Cabinet Member for Finance and Commercial Services	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure more than £100,000		Ward(s): All Wards	
Cabinet	4 Mar 2019	<p><b>Lightning Protection</b></p> <p>Scheme will protect Council residential buildings 4 storey's and above with protection against Lightning</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from</p>	Cabinet Member for Housing	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background
	Reason: Expenditure more than £100,000		Ward(s): All Wards	

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision <b>Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.</b>	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet ( <i>other relevant documents may be submitted</i> )
		disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.		papers to be considered.
Cabinet	4 Mar 2019  Reason: Expenditure more than £100,000	<p><b>LED Replacement Lighting Project</b></p> <p>The project will replace the existing Halogen Lighting with LED on all block and estate lighting. The benefits are longer lasting, lower energy costs, and reducing our carbon footprint</p> <p>PART OPEN</p> <p>PART PRIVATE</p> <p>Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	<p>Cabinet Member for Housing</p> <hr/> <p>Ward(s): All Wards</p> <hr/> <p>Contact officer: Steve Glazebrook Tel: 07976345556 Steve.Glazebrook@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	4 Mar 2019  Reason: Expenditure more than £100,000	<p><b>Award of Tender for the construction of a community garden at Frank Banfield Park</b></p> <p>This report requests permission to tender works to create a community garden at Frank Banfield Park, at a cost of £300k. It also requests permission to delegate authority to appoint the winning tenderer to the Cabinet member for Resident's services. The works will be wholly funded using S106 monies, previously</p>	<p>Cabinet Member for the Environment</p> <hr/> <p>Ward(s): Fulham Reach</p> <hr/> <p>Contact officer: Heather Marsh Tel: 020 8753 6883 HEATHER.MARSH@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision  Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (other relevant documents may be submitted)
		agree by Cabinet and confirmed by the Planning department.		
Cabinet	4 Mar 2019  Reason: Expenditure more than £100,000	<p><b>Update on the new repairs model</b></p> <p>This report details the costs of the new repairs model that will replace the Mitie contract from 17th April 2019</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	<p>Cabinet Member for Housing</p> <hr/> <p>Ward(s): All Wards</p> <hr/> <p>Contact officer: Mark Brayford, William Shanks Tel: 020 8753 4159, Tel: 020 8753 6007 Mark.Brayford@lbhf.gov.uk, william.shanks@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	4 Mar 2019  Reason: Expenditure more than £100,000	<p><b>The acquisition of the former White City Health Centre from NHS Property Services to enable wider redevelopment</b></p> <p>The council intends to acquire the former White City Health Centre for inclusion in a wider redevelopment proposition of existing Council assets at New Zealand Way. The site is owned by NHS Property Services.</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances</p>	<p>Cabinet Member for the Economy and the Arts</p> <hr/> <p>Ward(s): Outside the Borough</p> <hr/> <p>Contact officer: Ayesha Ovaisi Tel: 020 8753 5584 Ayesha.Ovaisi@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision <b>Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.</b>	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet ( <i>other relevant documents may be submitted</i> )
		of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.		
Cabinet	4 Mar 2019	<b>Approval to drawdown section 106 receipts to fund the activities of the Work Matters (Employment and Skills) and The Business Investment Teams 2018-2020</b>  Approval sought for financial years 2018/19 and 2109/20	Cabinet Member for the Economy and the Arts	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure more than £100,000		Ward(s): All Wards	
Cabinet	4 Mar 2019	<b>Schools Regeneration Programme - procurement of an inclusive design team</b>  The report sets out the rationale for a self-funding programme to renew the borough's primary school estate and procure design advice on Flora Gardens and Avonmore Primary schools  PART OPEN  PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.	Cabinet Member for the Economy and the Arts	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure more than £100,000		Ward(s): All Wards	
Cabinet	4 Mar 2019	<b>School Nursing &amp; Health Visiting contract with CLCH - Direct Award</b>  School Nursing & Health Visiting contract with CLCH - Direct Award	Cabinet Member for Public Services Reform	A detailed report for this item will be available at least five working days before the date of the meeting and
	Reason: Expenditure more than		Ward(s): All Wards	

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision  Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (other relevant documents may be submitted)
	£100,000	<p>for 2 years.</p> <p>The current contract terminates on 31st March 2019. It was agreed as a temporary extension for period 1st September 2018 to 31st March 2019 to allow the Authority time to negotiate a longer term contract with CLCH that would fully restore the service.</p> <p>PART OPEN PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	<p>Contact officer: Peter Woods</p> <p>Peter.Woods@lbhf.gov.uk</p>	<p>will include details of any supporting documentation and / or background papers to be considered.</p>
Cabinet	<p>4 Mar 2019</p> <p>Reason: Affects 2 or more wards</p>	<p><b>DELEGATED DECISION TO JOIN A GOVERNMENT AND LONDON COUNCILS SPONSORED SCHEME TO CENTRALISE THE PROCUREMENT OF TEMPORARY ACCOMMODATION LEASED FROM PRIVATE LANDLORDS</b></p> <p>Capital Letters is an ambitious Government and London Councils sponsored scheme to centralise the procurement of Temporary Accommodation and Private Rented accommodation from private landlords. The business plan has now been finalised and Boroughs have the opportunity to seek Councillor approval to become founding members.</p>	<p>Cabinet Member for Housing</p> <p>Ward(s): All Wards</p> <p>Contact officer: Nicky Pooni Tel: 020 8753 2495/1241 Nicky.Pooni@lbhf.gov.uk</p>	<p>A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.</p>



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<b>1 April 2019</b>				
Cabinet	1 Apr 2019  Reason: Affects 2 or more wards	<b>Section 75 Mental Health Agreement with WLNT</b>  This report is seeking approval to end the arrangement with WLNT and resume the direct management of the Council's staff and functions for mental health with a future aim of maintaining collaborative working.	Cabinet Member for Health and Adult Social Care  Ward(s): All Wards  Contact officer: Sarah O'Neill  sarah.o'neill@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	1 Apr 2019  Reason: Expenditure more than £100,000	<b>EdCity Development</b>  This report seeks Cabinet authority to support the principles of the development and contracting arrangements. Support for proposals to share in planning costs. Support for the YouthZone arrangements and funding.  PART OPEN  PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.	Cabinet Member for the Economy and the Arts  Ward(s): Wormholt and White City  Contact officer: Jacquie Agyemang-Johnson, David Burns Tel: 020 8753 6090, Jacquie.Agyemang-Johnson@lbhf.gov.uk, David.Burns@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	1 Apr 2019  Reason: Expenditure more than £100,000	<b>Corporate Property Services Framework</b>  The report outlines revised LOTS to ensure external advice can be secured on a wide range of property advice to ensure the administrations outcomes on assets are delivered	Cabinet Member for Finance and Commercial Services  Ward(s): All Wards  Contact officer: Nigel Brown, David Burns Tel: 020 8753 2835, Nigel.Brown@lbhf.gov.uk, David.Burns@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision  Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet ( <i>other relevant documents may be submitted</i> )
				papers to be considered.
Cabinet	1 Apr 2019  Reason: Expenditure more than £100,000	<p><b>Grove Neighbourhood Council - 7 Bradmore Park Road W6 0DT</b></p> <p>Grove Neighbourhood Council has approached the Council to acquire the Freehold of the property which they currently occupy under a 99 year lease from 20th January 1983 on a full repairing and insuring basis at a "peppercorn rent".</p> <p>PART OPEN PART PRIVATE</p> <p>Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	<p>Cabinet Member for Finance and Commercial Services</p> <p>Ward(s): Ravenscourt Park</p> <p>Contact officer: Ade Sule, Nigel Brown Tel: 0208 753 2850, Tel: 020 8753 2835 ade.sule@lbhf.gov.uk, Nigel.Brown@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	1 Apr 2019  Reason: Affects 2 or more wards	<p><b>School Organisation Strategy 2019</b></p> <p>School Organisation Strategy 2019 submitted for approval</p>	<p>Cabinet Member for Children and Education</p> <p>Ward(s): All Wards</p> <p>Contact officer: Christine Edwards Tel: 020 8753 5179 christine.edwards@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	1 Apr 2019  Reason: Expenditure more than £100,000	<p><b>WHITE CITY ESTATE SUSTAINABLE URBAN DRAINAGE &amp; STREETSCAPE IMPROVEMENT SCHEME ON THE PUBLIC HIGHWAY</b></p> <p>The Council's is looking to retrofit</p>	<p>Cabinet Member for the Environment</p> <p>Ward(s): Wormholt and White City</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details

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		<p>sustainable urban drainage in the White City Estate. This report seeks approval for the public highway element of the project.</p> <p>The project is led by Highways and will build on existing successful Sustainable urban Drainage Systems and urban greening schemes within the borough, to retrofit green infrastructure into the highway to create replicable residential streets for the future.</p> <p>The scheme has multiple small projects, but with recurring elements, such as permeable parking bays, allowing water to soak into the ground rather than to the sewer (reducing the risk of sewer flooding further down the catchment).</p>	<p>Contact officer: Michael Masella  michael.masell@lbhf.gov.uk</p>	<p>of any supporting documentation and / or background papers to be considered.</p>
Cabinet	<p>1 Apr 2019</p> <hr/> <p>Reason: Expenditure more than £100,000</p>	<p><b>Shepherd's Bush Library Phase One Refurbishment</b></p> <p>Request for funding to be provided from S106 budgets for works to improve the ground floor of the library. It also provides for changes to the layout which will support increased income generation. Carrying out these much needed works will benefit the community by ensuring the library meets expected standards of customer service and ensuring a safe environment for library customers and staff.</p>	<p>Cabinet Member for the Environment</p> <hr/> <p>Ward(s): Shepherds Bush Green</p> <hr/> <p>Contact officer: Terri Massally Tel: 020 7361 3432 Terri.Massally@rbkc.gov.uk</p>	<p>A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.</p>
Cabinet	<p>1 Apr 2019</p> <hr/> <p>Reason: Affects 2 or more wards</p>	<p><b>Corporate Revenue Monitor 2018-19 Month 9 - Dec 2018</b></p> <p>forecast of spend v budget</p>	<p>Cabinet Member for Finance and Commercial Services</p> <hr/> <p>Ward(s): All Wards</p> <hr/> <p>Contact officer: Emily Hill  emily.hill@lbhf.gov.uk</p>	<p>A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.</p>

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision  Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (other relevant documents may be submitted)
Cabinet	1 Apr 2019	<p><b>Offsite Records Storage Service</b></p> <p>Offsite Records Storage Service, for the secure storage of documents and records in a physical format including paper, microfilms, microfiche and some objects. This will also include retrieval services with the capability of doing scan on demand as well as a bulk scanning service and secure destruction of records as requested.</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	<p>Cabinet Member for Finance and Commercial Services</p> <p>Ward(s): All Wards</p> <p>Contact officer: Anthea Ferguson, Edward Crow Tel: 02087536641, Anthea.Ferguson@lbhf.gov.uk, Edward.Crow@lbhf.gov.uk</p>	<p>A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.</p>
Cabinet	<p>1 Apr 2019</p> <p>Reason: Income more than £100,000</p>	<p><b>Geographical Information Systems (GIS) Software Renewal</b></p> <p>The procurement and implementation of the GIS software solution across the three boroughs. There is currently a joint Enterprise Licence Agreement (ELA) in place with ESRI UK Limited that finishes at the end of September 2019.</p>	<p>Councillor Max Schmid</p> <p>Ward(s): All Wards</p> <p>Contact officer: Geoff Hay Tel: 0208 753 4223 geoff.hay@lbhf.gov.uk</p>	<p>A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.</p>

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Cabinet	1 Apr 2019  Reason: Expenditure more than £100,000	<b>HIGHWAY MAINTENANCE WORK PROGRAMME 2019/20</b>  Reports seeks approval for the planned highway maintenance work programme for 2019/20.	Cabinet Member for the Environment  Ward(s): All Wards  Contact officer: Arif Mahmud Tel: 020 7341 5237 arif.mahmud@rbkc.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	1 Apr 2019  Reason: Expenditure more than £100,000	<b>Drug and Alcohol Wellbeing service contract extension and variation; and The Alcohol Service Contract Extension</b>  Proposal to vary the current Drug and Alcohol Wellbeing Service contract to add elements of groupwork and primary care support.  PART OPEN  PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.	Cabinet Member for Health and Adult Social Care  Ward(s): All Wards  Contact officer: Nicola Ashton, Julia Woodman Tel: 020 8753 5359, Nicola.Ashton@lbhf.gov.uk, Julia.Woodman@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	1 Apr 2019  Reason: Expenditure more than £100,000	<b>Ultra-Low Emission Vehicle Last-Mile Freight Hub</b>  Provision of a 'Freight Hub' facility to serve Council departments and businesses and help to reduce traffic and congestion in Hammersmith.	Cabinet Member for the Environment  Ward(s): Hammersmith Broadway  Contact officer: Hinesh Mehta  Hinesh.Mehta@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background

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				papers to be considered.
<b>29 April 2019</b>				
Cabinet	29 Apr 2019	<p><b>Rough Sleeper Supported Accommodation Procurement Strategy</b></p> <p>Various supported housing contracts are expiring in 2020; a procurement strategy is required to ensure new services deliver better outcomes for residents and better value for money.</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	Cabinet Member for Housing	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure more than £100,000		Ward(s): All Wards	