

## LONDON BOROUGH OF HAMMERSMITH & FULHAM

**Report to:** Cabinet Member for Strategy Councillor Sharon Holder  
Cabinet Member for Housing Councillor Lisa Homan

**Date:** 27/10/2021

**Subject:** Procurement of the Grounds Maintenance for Parks, Public Open Spaces and Housing Estates

**Report author:** Stephen Hollingworth, Assistant Director, Leisure, Sport and Culture

**Responsible Director:** Sharon Lea, Strategic Director of Environment

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### SUMMARY

The Council's contract for the grounds maintenance of Parks and Open Spaces with Quadron Services (trading as Idverde) is due to expire on 31<sup>st</sup> January 2022. A procurement strategy was approved by Cabinet on 1<sup>st</sup> June 2020 for a new contract beyond the expiry date.

A new contract is required that:

- Contributes to the Council's priority of being the greenest borough in the UK
- Provides a high-quality service within the budget available
- Takes account of the recommendations from the Park Commission's interim report.

Following a procurement exercise in line with the approved strategy this report seeks the approval to award the contract to the successful bidder in each Lot.

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### RECOMMENDATIONS

**That the Cabinet Member for Housing and Cabinet Member for Strategy:**

1. Notes that Appendix 1 is not for publication on the basis that it contains information relating to the financial or business affairs of any particular person (including the authority holding that information) as set out in paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended)
2. Awards the contract for **Lot 2** (green and other spaces within housing land, except arboricultural services) to Idverde Ltd for the total contract value of £4,499,886 for a five-year period from 1<sup>st</sup> February 2022 to 31<sup>st</sup> January 2027.

**That the Cabinet Member for Strategy:**

3. Awards the contract for **Lot 1** (parks and open spaces, except Wormwood Scrubs; all cemeteries and all highways sites with a grounds maintenance element, except arboricultural services) to Idverde Ltd for the total contract

value of £11,276,286 for a five year period from 1<sup>st</sup> February 2022 to 31<sup>st</sup> January 2027.

4. Awards the contract for **Lot 3** (Wormwood Scrubs Open Space, except arboricultural services) to Idverde Ltd for the total contract value of £1,423,655 for a five year period from 1<sup>st</sup> February 2022 to 31<sup>st</sup> January 2027.
5. Awards the contract for **Lot 4** (all Council arboricultural services (trees) across parks, highways, housing and other open spaces, including Wormwood Scrubs) to Red Squirrel Tree Surgery London for the total contract value of £2,250,000 for a five year period from 1<sup>st</sup> February 2022 to 31<sup>st</sup> January 2027.

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## Wards Affected: All

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Our Values	Summary of how this report aligns to the H&F Values
Building shared prosperity	Continued access to high quality green space for the wellbeing of our residents is a goal for the open space strategies of both Parks and Economy.
Creating a compassionate council	<p>The bids had to include social value commitments including opportunities for apprenticeships, training and work placements for young people and disabled people.</p> <p>Having open space that provides a range of opportunities and fits the needs of our community is a goal of the Parks Strategy.</p>
Doing things with local residents, not to them	<p>The tendering exercise encouraged suppliers to engage with the community, resident-led commissions and TRAs and there will be a Key Performance Indicator (KPI) based on resident satisfaction.</p> <p>Community engagement, ownership and co-production is a goal of the Parks Strategy.</p>
Being ruthlessly financially efficient	The negotiation during the tendering exercise was used to drive down cost with no resulting drop in quality. Each contract will be for a fixed price over the term of the contract, with no annual indexation. The contracts will include a new monitoring system which measures the contractors' performance and penalises failure.
Taking pride in H&F	<p>The contract specification requires improvements to the care of parks and open spaces, provision of facilities such as toilets, cafes and sports pitches and the retention of Green Flags.</p> <p>Continued investment and improving the aesthetics of our estates and parks are goals of both the Parks and</p>

	Economy Strategies.
Rising to the challenge of the climate and ecological emergency	<p>The contract require improvements in the care of, and provision for, biodiversity and allows for initiatives to combat flooding and reduce urban heat and drought.</p> <p>These contracts will also require a strategy for the provision of a green fleet of contractors vehicles and reward initiatives to reduce energy and improve recycling.</p> <p>Initiatives to respond to climate change and improve biodiversity are goals of the Parks Strategy.</p>

## Financial Impact

The recommendations are to award the contracts to the most economically advantageous bidders for each lot. Lots 1, 2 and 3 were scored at final tender stage on the basis of 50% quality and 50% price. Lot 4 was scored at initial tender stage on the basis of 70% quality and 30% price. The contracts for lots 1, 2 and 3 are each for a fixed price with no annual indexation. The contract for lot 4 is based on a schedule of agreed rates over the term of the contract. All contracts are for 5 years, with the option to extend for a further 5 years.

All routine care and maintenance will be included in the contracts, enabling more efficient maintenance planning. The contracts will be performance/ output based rather than input based, allowing some of the risk of unforeseen work to be passed to the contractor and reducing the need for more costly reactive variable works. Each contract will include a schedule of agreed prices for variable works to ensure efficiency and transparency. The contracts will include a range of new Key Performance Indicators and financial penalties will be applied where agreed standards are not met.

Lot 1 (predominantly parks and open spaces) is funded from the Council's general fund. The fixed five year contract price for Lot 1 is £11,276,286 (£2,255,257 per annum) and £80,000 (4%) less than the existing five year budget (£16,000 per annum). This contract price is reduced by a multi lot discount of 1.2% (£137,000 over the five year contract period) that would be forfeited if the Council chooses not to award any other lot to Idverde Ltd.

Lot 2 (predominantly green spaces on housing land) is funded from the Housing Revenue Account (HRA). The fixed five year contract for Lot 2 is £4,499,886 (£899,977 per annum) and £270,000 (6%) less than the existing five year budget (£54,000 per annum). However, as these costs are rechargeable to tenants and leaseholders, no revenue savings are expected for the HRA. The award of this contract is subject to consultation with leaseholders.

Lot 3 (Wormwood Scrubs open space) is funded by the Wormwood Scrubs Charitable Trust (this is a separate entity to the Council). The fixed five-year contract price for Lot 3 is £1,423,655 (£284,731 per annum). This is significantly less than the

Trust currently spends in this area and so represents a significant saving to them (saving of £464,000 / 62% per annum).

Lot 4 (predominantly trees), is funded from both the Council's general fund (80%) and the Housing Revenue Account (20%). The price for Lot 4 is a schedule of rates and not a fixed sum, where actual costs will be determined by actual volumes of work against the agreed schedule of rates. Officers will need to carefully manage spend against the £2,250,000 existing budget available.

Given that the recommended contract awards for Lots 1, 2 and 4 can be funded from existing Council budgets (both general fund and HRA) and the recommended contract award for Lot 3 represents a significant annual saving to the Wormwood Scrubs Charitable Trust, the recommendations in this report are supported from a financial perspective.

A credit check has been undertaken on Idverde Ltd and they meet the minimum standards required by the Council in terms of credit rating (96 compared to the required minimum of 50), turnover (turnover exceeds twice the contract value) and financial ratios.

## **Legal Implications**

This report recommends the award of 4 separate contracts for grounds maintenance. The Council has the power to enter into the contracts using its powers to provide recreational facilities under s19 Local Government (Miscellaneous Provisions) Act 1976. The value of the contract exceeds the EU Threshold for services (which is £189,330) and therefore it was necessary to comply with the full requirements of the Public Contracts Regulations 2015 ('PCR'). In accordance with the procurement strategy, a competitive procedure with negotiation under regulation 29 was used to procure the services. Details of the procurement process followed is set out in this report. The procurement was run in stages with selection stage, initial tender stage and (save for Lot 4) final tender stage

The tender documentation included award criteria which were applied at each stage. At the Final Tender Stage, the evaluation criteria were applied to find the most economically advantageous tender for each of the Lots. It is recommended that Lots 1, 2, 3 and 4 are awarded to the highest scoring tenderer for each of those Lots having applied the evaluation methodology and Lot strategy approach.

The decision maker needs to be satisfied that the recommended award of each contract is to the tenderer submitting the most economically advantageous tender on the basis of the award criteria and Lot strategy set out in the Council's tender documentation. This will secure compliance with the PCR and the Council's Contract Standing Orders.

A Contract Award Notice must be published in Find a Tender within 30 days of award of the contracts and in Contracts Finder within 24 hours thereafter. The Council's Legal Services will assist with preparing a formal contract for each Lot on the basis of the draft contract issued at tender stage.

There are consultation requirements in relation to leaseholders affected by Lot 2 which must be carried out in accordance with Landlord and Tenant Act 1985. The award of the Lot 2 contract cannot be made until the conclusion of the s20 consultation.

The decisions are each a Key Decision and the report must be submitted to Committee Services for publication on the Council's website.

The appropriate decision maker is the Cabinet Member for Strategy and Cabinet member for Housing.

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**Background Papers Used in Preparing This Report - none.**

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## **Proposals and Analysis of Options**

### **Existing Contract - Context**

1. Open space includes parks, playing fields and outdoor sports facilities, cemeteries and churchyards, amenity space for housing and highways, allotments, nature conservation areas and play areas. Open space makes a significant impact in improving people's health, wellbeing and quality of life, contributing to maintaining clean air, reducing urban heat and enhancing biodiversity in the borough. The care of our parks and open spaces is an essential service, cross cutting all the Councils' values and a robust strategy

and contract across all green space is crucial. A high-quality Grounds Maintenance (GM) contract will be built into our strategy. It will be an essential tool for our client-side managers, Friends Groups, Tenants and Residents Associations (TRA) and other stakeholders to use in the care and improvement of our parks and open spaces.

2. The existing Grounds Maintenance (GM) contract with Idverde was advertised for up to 14 years (7 plus 7 years) commencing 1 May 2008 and therefore expiring 30 April 2022. The end date was previously varied to April 2021 to facilitate Bi-borough management of parks and open spaces with Kensington and Chelsea. but was extended by 10 months until 31 January 2022 to allow the procurement of a new contract. This extension is still within the original contract timeframe of 14 years.
3. The existing contract was originally a performance-based contract but was varied to realise savings and provide flexibility as an open book contract based on available resources. A major review of how the GM service was delivered including a report by the Parks Commission concluded a new contract was required based on the Council's values and to tie in with the developing Open Spaces Strategies for Parks and Economy.
4. A new contract was designed as a performance-based specification with a range of new Key Performance Indicators (KPIs) and, on 6<sup>th</sup> January 2021, the Council published a Contract Notice inviting expressions of interest by way of a Selection Questionnaire. Expressions of Interest were received from eleven suppliers and evaluated against a published model including; any grounds for exclusion, financial and economic standing and technical ability. Eight suppliers were shortlisted and invited to submit Initial Tenders.

### **Invitation to Submit Initial Tenders (ISIT) Stage**

5. The purpose of the ISIT Stage was to provide bidders with an opportunity to demonstrate their understanding of the service with a view to selecting a smaller number of bidders to the negotiation stage and submission of final tender.
6. The Council reserved the right to award the contract following the submission of initial tenders without further negotiation or submission of final tender.
7. The quality of each bid was evaluated as a technical score. Bidders were required to submit method statements for:
  - Staff resources including; operational arrangements, health and safety, vehicles, equipment and depot use.
  - Service delivery, depending on the lot, included: tree works, grass cutting, sports facilities, horticulture, biodiversity, cleansing, cemetery management and play areas.
  - Understanding the Council's vision; responding to the six values identified by the Council.
  - Management resources including; operational arrangements, monitoring and KPIs, communication, mobilisation and service continuity.

- Social Value was weighted at 10% of the overall score evaluation including:
    - a target value delivering against the Themes, Outcomes and Measures (TOMs) developed by the Social Value Portal
    - a method statement to explain how the TOMs are delivered.
8. The price of each bid was evaluated as a commercial score. The lowest price will score 100% and thereafter each other tender is compared against the lowest tender according to an agreed formula. The evaluation price for Lot 4 was on a schedule of rates not a fixed sum as the other lots.
9. Initial tenders were received and evaluated as follows with further detail in Appendix 1.

Lot 1					
Bidder	Technical Score	Commercial Score	Total Score	Rank	Decision
Bidder 1	59.7	84.735	67.21	1	Invite to next stage
Bidder 2	51.0	100	65.7	2	Invite to next stage
Bidder 3	Withdrew no tender received				

Lot 2					
Bidder	Technical Score	Commercial Score	Total Score	Rank	Decision
Bidder 4	74.38	84.681	77.46	1	Invite to next stage
Bidder 1	72.67	78.743	74.14	2	Invite to next stage
Bidder 2	61.03	100	72.72	3	Invite to next stage
Bidder 3	Withdrew no tender received				
Bidder 5	Withdrew no tender received				

Lot 3					
Bidder	Technical Score	Commercial Score	Total Score	Rank	Decision
Bidder 1	57.48	100	70.24	1	Invite to next stage
Bidder 2	60.76	65.441	62.16	2	Invite to next stage
Bidder 3	Withdrew no tender received.				

Lot 4					
Bidder	Technical Score	Commercial Score	Total Score	Rank	Decision
Bidder 6	77.20	74.49	76.39	1	Award contract
Bidder 2	65.92	100	76.14	2	
Bidder 7	60.88	55.06	59.14	3	
Bidder 8	45.03	28.98	40.21	4	
Bidder 1	Withdrew no tender received				

10. Two suppliers submitted tenders for Lot 1 and 3. Following evaluation both were invited to the negotiation stage.

11. Three suppliers submitted tenders for Lot 2 including two who had submitted tenders for Lot 1 and 3. The ISIT documents had made clear that a decision on whether the Council wished to bring Lot 2 in-house would be made after submission of initial tenders. Subsequently it was agreed Lot 2 would form part of the wider GM procurement exercise.
12. Four suppliers submitted tenders for Lot 4 including one who had submitted tenders for other Lots. Following the ISIT evaluation stage of Lot 4 no further negotiation or ISFT was considered necessary because:
  - No significant clarifications were required for the price or quality of any bid
  - There are no issues with affordability of the most economically advantageous tender
  - KPIs had already been specified within the tender documents
  - The Council has determined that TUPE does not apply to because there is currently no incumbent contractor.
  - No significant issues with depots, ICT or social value were raised by any of the bidders.Consequently Lot 4 is recommended to be awarded at ISIT stage in line with section (6).

### **Negotiation Stage**

13. Negotiation sessions were held individually with three bidders for Lots 1-3. The same number of sessions were held with each bidder for each lot. These sessions allowed the Council to discuss the approaches of the remaining bidders and to focus on:
  - Clarifications around the bidders method statements including operational arrangements
  - Price/affordability
  - Clarification of monitoring and KPIs
  - Clarification of depot requirements
  - Clarification of ICT
  - Clarification of social value targets as distinct from requirements of the specification

### **Bidders' method statements**

14. The opportunity was taken to discuss the method statements including the task in detail, the area scheduled, and the resources required, including:
  - Which staff are proposed as full time equivalent, are resources shared across different contracts and how is staff training addressed.
  - How consultation and the use of park ambassadors will better engage and help stakeholders.
  - Encouraging bidders to consider more detail in the care and improvement of the parks and open spaces for biodiversity.
  - Understanding method of weed control without glyphosate and the use of Foamstream.
  - Understand proposals for green waste and the use of the product as a mulch.



- To ensure both sides understand resourcing required for; cemeteries, play areas, park locking and unlocking, cleansing of toilets and other park infrastructure and leaf collection.
- For Lot 3 it allowed a discussion on how the Scrubs will be managed after the HS2 funded ecological mitigation works start.

### **Price and Affordability**

15. At least one bid for each lot was within or close to the budget but the opportunity was taken to discuss ways of reducing the price of the contract without a drop in quality including:
- Any opportunity for a Multi-Lot discounts. A multi-lot discount was requested on Lot 1 if additional lots were awarded. Multi lot discounts were provided by both bidders of Lot 1.
  - Potential for a winter/summer service for litter collection for Lot 1 and 3 which reflects that the parks are less frequented in winter.
  - Grass lengths were discussed to allow for long grass areas which improve biodiversity opportunity and provide savings.
  - Park areas currently within the waste contract for litter collection (including leaves) will remain so.

The understanding gained by bidders during negotiations, in particular the requirements for grass cutting and leaf and litter collection, has enabled more competitive bidding at the Final Tender stage.

### **Monitoring and Key Performance Indicators (KPIs)**

16. The opportunity was taken during the negotiation stage to discuss with bidders a method of measuring the quality of the service including suggestions by the bidders. KPIs were developed which reflect the Council's values including:
- Measuring the contractor's response to complaints, non-routine tasks and the safety and security of the borough's parks and playgrounds (Creating a compassionate Council)
  - Measuring resident satisfaction with the service (Building shared prosperity)
  - Demanding consultation and encouraging partnerships and initiatives with stakeholders (Doing things with residents not to them)
  - Improving the number of recycling initiatives and Green Flags (Taking Pride in H&F)
  - A monitoring system which measures the contractor's performance and penalises failure (Being ruthlessly financially efficient)
  - Reducing energy consumption and carbon footprint (Rising to the challenge of the climate and ecological emergency).

The performance management system, defined in Schedule 9 of the Contract, uses these KPIs to make deductions to payment for performance failure and repeated performance failure if there is no improvement.

### **Depot Requirements**

17. Bidders were asked not to include depot costs in the initial tender price as the number of depots required for each contractor might vary creating an uneven playing field. The negotiation stage allowed for discussion of:

- Condition of depots and what repairs needed to be done before occupation.
- Which depots were preferred for contract delivery and how they would be managed.
- How multi occupancy would be managed. The waste contractor will continue to use some depots and depending on the award of the Lots separate contractors might occupy the same depot for Housing and Parks.
- What charging facilities were required for the green (electric) fleet.

## **ICT Requirements**

18. Bidders were asked to demonstrate the systems they would be using for work scheduling and monitoring this included:
- How the software interfaces with the Council's own systems
  - Vehicle tracking to provide efficient (low carbon) routes
  - Commitment to adhere to the Council's 'Minimum requirements'

## **Social Value**

19. It was difficult to separate the requirements of the specification and the targets for social value in the initial tenders received. There appeared to be some double counting of social value targets in the method statements. The negotiation stage helped in particular to:
- Clarify that an apprentice was a core requirement of the specification not social value, although additional apprentices could be provided as a social value target.
  - Volunteering is also a core requirement and it was helpful to clarify exactly what is being offered and when.
  - Green fleet is a core requirement, but the carbon reduction achieved can be a social value target as a measurable quantity.

## **Invitation to Submit Final Tenders (ISFT) Stage**

20. Three bidders were invited to submit Final tenders; two bidders each for Lot 1 and 3 and three bidders for Lot 2.
21. Final tenders have been evaluated on the basis of the most economically advantageous tender.
22. Bidders were instructed that the final tender should reflect the discussions in negotiation and should not step back or renege on that solution.
23. The weightings for the ISFT stage were 50:50 Quality: Price with the Quality evaluation against the same (revised) method statements submitted in the ISIT stage and the Price evaluation against the revised price using the same process as section (8).
24. Tenderers were invited to submit any multi-lot discounts, if applicable.
25. Final tenders were received and evaluated as follows with further detail in Appendix 1:

Lot 1				
Bidder	Technical Score	Commercial Score	Total Score	Rank
Bidder 1	69.424	99.093	84.259	1
Bidder 2	67.2	100	83.6	2

Lot 2				
Bidder	Technical Score	Commercial Score	Total Score	Rank
Bidder 1	82.052	100	91.026	1
Bidder 2	69.261	93.482	81.372	2
Bidder 4	73.491	77.877	75.684	3

Lot 3				
Bidder	Technical Score	Commercial Score	Total Score	Rank
Bidder 1	69.256	100	84.628	1
Bidder 2	72.304	88.97	80.637	2

### Procurement implications

26. Tenders have been received and evaluated as above and ranked by the e-procurement system. The evaluation for the Final Tender is on a 50:50 Quality: Price basis using the same scoring system described in the ISIT stage.

### Reasons for Decision

27. Contract standing orders require the approval of a procurement strategy. This was approved by Cabinet on 1<sup>st</sup> June 2020. The decision to award according to the most economically advantageous tender is in line with this strategy to achieve best value for the Council. It also provides a holistic GM service that can help deliver the strategic objectives of the Council and the care of parks and open spaces in line with the Parks and Economies Strategies.

### Lot 1 Award (predominantly parks and open spaces)

28. Bidder 1 (Idverde Ltd) has provided the most economically advantageous tender. The five year tendered price of £11,413,245 is £56,000 more than the existing budget of £11,357,000. However if any other Lot is awarded to Idverde Ltd in addition to Lot 1, (as recommended in this report), a 1.2% discount (£137,000) will be applied to the Lot 1 tender price. The discounted five year tender price of £11,276,286 is £80,000 less than the existing five year budget (£16,000 less than the budget per annum).

29. Quality scores ranged from 2 (partially acceptable response) to 4 (fully satisfactory). Most were 3 (satisfactory) or 4 (fully satisfactory). Only 1 method statement scored a 2. The method statement for managing complaints did not seem to guarantee a direct interface with the Council's Confirm system (the GM asset management and complaints system). However this risk was the same for both bidders and will be managed during the mobilisation period.
30. Specific social value commitments equivalent to 17% of the contract sum has been offered by Idverde. The methodology for achieving this is detailed and clearly outlines how they reached their target figures. A major part of this offer is to employ local people. By year five at least 17 local people will have been taken on and be employed full time on the contract. In addition various education and training opportunities are offered, to the community supported by a full time community and training manager. The employment of at least one apprentice per year is a requirement of this contract and so is not included in the additionality of the social value figure.
31. The following factors should also be considered but did not form part of the evaluation to award this contract:
- Idverde offer a social value target of 17% of contract sum compared to a 7.5% social value target from Bidder 2.
  - Idverde will offer a 1.2% reduction of their Lot 1 price if awarded any other lot in addition.
  - Awarding more than one lot will also reduce the number of different contractors that would operate from the parks depots. This would have had cost implications for refurbishment and ongoing management.
  - The Schedule of Rates supplied by Idverde shows a 5% overhead and profit margin associated with any additional works instructed. Bidder 2 had priced this at 18.11%.
  - Idverde do not propose any redundancies or changes to the terms and conditions of staff. This had been proposed by Bidder 2 and could have been a potential issue in the mobilisation period.
  - There are no concerns with TUPE in retaining the incumbent contractor.

## **Lot 2 Award** (predominantly green spaces on housing land)

32. Bidder 1 (Idverde Ltd) has provided the most economically advantageous tender. In addition this is the lowest priced tender and the 5 year price of £4,499,886 is £270,000 less than the existing budget of £4,769,000.
33. Quality scores ranged from 3 (satisfactory) to 5 (excellent). No high risks to the Council were identified.
34. Specific social value commitments equivalent to 21% of the contract sum has been offered by Idverde. The methodology for achieving this is detailed and clearly outlines how they reached their target figures. A major part of this offer is to provide a minimum of 8 local people employed on the contract over the five year period. In addition various education and training opportunities. The

employment of at least one apprentice per year is a requirement of this contract so is not included in the additionality of the social value figure.

**Lot 3 Award** (Wormwood Scrubs open space)

35. Bidder 1 (Idverde Ltd) has provided the most economically advantageous tender. In addition this is the lowest priced tender and the fixed 5 year price of £1,423,655 (£284,731 per annum) is significantly less than the current grounds maintenance spend in this area (saving of £464,000 / 62% per annum). This represents a saving to the Wormwood Scrubs Charitable Trust, whose accounts are separate to that of the Council.
36. Quality scores ranged from 3 (satisfactory) to 4 fully satisfactory. No high risks to the Council were identified.
37. Specific social value commitments equivalent to 15% of the contract sum has been offered by Idverde. The methodology for achieving this is detailed and clearly outlines how they reached their target figures. The offer includes the provision of 1 local person employed on the contract over the five year period and various education and training opportunities. The education programme will be supported by an additional post of Biodiversity and Education manager who is not included in the above figure and a further commitment has been made to provide a small classroom facility at the scrubs which could help serve to deliver this programme. The employment of at least one apprentice per year is a requirement of this contract so is not included in the additionality of the social value figure.

**Lot 4 Award** (predominantly trees)

38. Red Squirrel is the most economically advantageous tender and was recommended for award following the ISIT stage evaluation (as outlined in section (12).
39. The tender price of £2,250,000 is based on a schedule of rates rather than a fixed price. This aligns with the £2,250,000 existing budget available. Actual costs will be determined by actual volumes of work against the agreed schedule of rates.
40. Quality scores ranged from 3 (satisfactory) to 5 (outstanding). Most were 3 satisfactory or 4 fully satisfactory.
41. Specific social value commitments equivalent to 16.56% of the contract sum has been offered by Red Squirrel. The methodology for achieving this is detailed and clearly outlines how they reached their target figures. A major part of this offer is to employ a minimum of 7 people including ex-offenders and veterans. The bidder has also proposed a mix of training and local engagement and demonstrated significant innovation in how social value can be delivered. Two apprentices are also proposed in addition to the requirement of this contract.

## **Equality Implications**

42. There are no direct negative implications for groups with protected characteristics, under the Equality Act 2010, by the approval of these lots.
43. The procurement team have been working with the Resident-led Parks Commission to ensure there is appropriate consultation and co-production and 'doing things with residents and not to them'.

## **Risk Management Implications**

44. We want to continue to delight our residents with excellent services including those that are provided for in our Parks and open spaces. The procurement strategy presented to Cabinet in June 2020 set out some of the risks that were being managed as part of the procurement route and options appraisal. Management of contractor performance will be a key aspect and contribute to the delivery of our Priority of Taking Pride in Hammersmith & Fulham. By undertaking a robust procurement process, officers have ensured that the contracts will be awarded in line with the Council objective of being ruthlessly financially efficient.

*Implications verified/completed by: David Hughes Director of Audit, Fraud, Risk and Insurance 020 7361 2389*

## **Climate and Ecological Emergency Implications**

45. The Climate implications toolkit has been used to identify the projects impact on the climate emergency in summary it was noted:
  - A positive long term reduction in energy would be made through; a Green Fleet and electric handheld machinery and the contractor reducing waste energy consumption through being responsible for utility bills of the depots.
  - Reductions will also be explored through efficient digital management of routes and tasks and the contractors travel to work policies.
  - Some low-carbon options are not yet available, e.g. tractors, but models will be as efficient as possible and are expected to be phased out for an electric model during the life of the contract.
  - The use of recycled materials is maximised within the contractors methodologies and targets to reduce waste have been introduced.
  - The project will support a robust Green infrastructure in our parks and open spaces, improving cooling and mitigating flood risk.
  - A new role has been introduced to act as ambassador enabling training and engagement of residents in the themes of biodiversity and climate emergency.
  - The Contract requires method statements to care for biodiversity habitat and KPIs require that these habitats are increased and enhanced.

*Implications verified by: Hinesh Mehta Strategic Lead Climate Emergency  
07960 470125 / Sebastian Dunnett Ecology Officer - Climate Emergency 07749  
003592*

## **Digital Services Implications**

46. There are IT implications as detailed in Section 26 of this report and the service should therefore raise a Service request with Digital services as soon as possible to ensure that any integrations with H&F systems and additional IT requirements are delivered in a timely fashion and in compliance with our standards and processes.
47. If not already in place, a Data Privacy Impact Assessment (DPIA) should be completed to ensure that all the potential data protection risks around our engagement with the relevant supplier are properly assessed with mitigating actions agreed and implemented.
48. The relevant supplier will also need to complete a (Cloud) Supplier Security Questionnaire (CSSQ) to ensure that their systems comply with H&F's information security requirements.
49. Any contracts arising from this report will need to include H&F's data protection and processing schedule. This is compliant with UK Data Protection law.
50. The relevant supplier will be expected to have a Data Protection policy in place and all staff will be expected to have received Data Protection training.

*Implications verified/completed by: Tina Akpogheneta, Interim Head of Strategy and Strategic Relationship Manager, IT Services, tel 0208 753 5748.*

## **Local Economy and Social Value Implications**

51. This report seeks to award one contract to each of the four LOTs.
52. Lot 1 to be awarded to Idverde Ltd – the total value of this contract is £11,413,245 with 17% social value committed. As Idverde has won the three lots the discount will be applied after the award and social value percentage will proportionally increase.
53. Lot 2 to be awarded to Idverde Ltd – the total value of this contract is £4,499,886 with 21% social value committed.
54. Lot 3 to be awarded to Idverde Ltd – the total value of this contract is £1,423,655 with 15% social value committed.
55. Social Value Portal evaluated the social value responses, which were reviewed by commissioners. Idverde Ltd scored 80/100 in all method statements providing confidence the supplier can deliver on commitments. All evaluations are uploaded on capitaesourcing for a consistent audit trail.

56. Lot 4 to be awarded to Red Squirrel with the contract based on schedule of rates based on current budget of £2,250,000 with 16.56% social value committed.
57. It is recommended the project lead will work closely with H&F Social Value Officer and the contractor to agree on a delivery plan, soon after the award. The winning bidder will be required to set targets on Social Value Portal for effective monitoring and responsible to pay the relevant fee as per the Instruction to Tender document published at the tender stage.
58. It is advisable the Commissioner will work closely with Legal Services to ensure appropriate social value clauses are included in the contract, so that the Council can enforce its right to compensation if social value commitments are not delivered.

*Implications verified/completed by: Ilaria Agueci, Social Value Officer Economic Development, tel 0777 667 2878.*

## **Personnel Implications**

59. The current contract for work detailed under Lots 1 to 3 is currently outsourced to an external provider. The new contract for Lots 1 to 3 has been awarded to the current provider, Idverde, therefore the staff will continue to be employed by the current provider to provide the work in respect of Lots 1 to 3.
60. Idverde staff responsible for sports booking activities will be taken back in house this risk has been mitigated and there is no implication for this award
61. The work within scope of Lot 4 was previously procured on an as and when basis to a variety of providers. This work has now been consolidated under one contract (Lot 4) which has now been awarded and will be undertaken by a new provider, Red Squirrel, who will be responsible for supplying the staff to undertake the work. It is therefore considered that there are no implications for Hammersmith & Fulham staff.

*Implications completed by Dave Rogers, Head of People Operations Telephone 07717 423441*

## **Consultation**

62. Consultation has taken place with the Wormwood Scrubs Charitable Trust as their minuted meetings.
63. Consultation has taken place with leaseholders affected by Lot 2 in accordance with Landlord and Tenant Act 1985



## **LIST OF APPENDICES**

Exempt Appendix 1