

CABINET MEMBER DELEGATED DECISION 28 OCTOBER 2021

Report title: Procurement of FM and Property Services call-off framework for minor works and projects

Wards: All

Portfolio: Cabinet Member for Finance and Investment, Councillor Andrew Wilson

Report Authorised by: Bayo Dosunmu: Strategic Director for Resident Services

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Report summary

This report recommends the appointment of 26 contractors to the FM and Property Services call-off framework for minor works and various projects, following a compliant combined Supplier Selection Questionnaire (SSQ) and Invitation to Tender (ITT) exercise.

Following approval of the procurement strategy on 1 June 2021, the council seeks to implement a Lambeth-owned framework agreement to deliver minor works and various projects. The framework will provide additional capacity and specialist suppliers to support the council in addition to its FM Hard Services contract.

The framework comprises three Lots, for four years with multiple contractors on each Lot.

- Lot 1 (Works up to £25,000)
- Lot 2 (Works up to £100,000)
- Lot 3 (Works up to £250,000)

The estimated value of the framework for the four years is up to £8m. The framework will be managed by FM and Property Services.

Finance summary

This framework will commence in November 2021 for a period of four years (until October 2025). The estimated value of work that will be placed with contractors on the framework over four years is up to £8m.

This is a call-off framework and there will be no guarantees of work given to any company appointed. Works commissioned through the framework will be funded from existing revenue and capital budgets. There are no financial implications for the framework other than the cost of resourcing the client side which will be undertaken by existing established posts in the new FM and Property Services structure.

Recommendations

1. To appoint 26 companies to the FM and Property Services call off framework for the period from November 2021 until October 2025, up to a maximum value of £8m of works.

2. To note that work is on-going to support micro-, small and medium sized companies to qualify for inclusion on the framework and, as yet, not all documentation is in place.

Reasons for exemption from disclosure

The accompanying Part II report is exempt from disclosure by virtue of the following paragraphs of Schedule 12A to the Local Government Act 1972:

Paragraph 3: Information relating to the financial or business affairs of a particular person (including the authority holding that information).

Paragraph 4: Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holder under, the authority.

1. CONTEXT

- 1.1 FM and Property Services maintain over 160 council buildings. These properties include office buildings, libraries, day centres and buildings which have heritage status. FM and Property Services provide a range of services to these sites such as Repairs, Planned Preventative Maintenance, Minor works and Refurbishment projects. Most of these services are delivered through the FM Hard Services Contract.
- 1.2 The Hard FM Services contractor does not have exclusivity and an increase in the volume of work and emerging capacity issues has brought forward a need to ensure that delivery of maintenance works is protected. The procurement of a call-off framework of specialist contractors to undertake Minor Works and refurbishment Projects, which can be called upon as and when required, will provide the necessary additional capacity. This proposal will not require any additional budget expenditure but ensures that assigned budgets are utilised more efficiently. This procurement will:
- Increase capacity to deliver minor works and refurbishment projects
 - Allow for the provision of specialist services
 - Reduce procurement costs
 - Reduce time taken to complete works
 - Allow the inclusion of competent local companies and tradesman to engage with the council in accordance with our responsible procurement policy.
- 1.3 The framework will be for a period of four years commencing in November 2021 until October 2025. This is the maximum permitted duration for a framework agreement, although call-offs on the framework can extend beyond the framework end date. The estimated value of work that will be placed with contractors on the framework over four years is up to £8m. The 26 companies are as follows:

Table 1: Recommended awards

Supplier name	Locality	SME
AGS One	No	Yes
Ardent Security Ltd	Greater London	Yes
B&M McHugh Limited	Greater London	Yes
CCR Property Services Ltd	No	Yes
Circle Facilities Management Ltd	Greater London	Yes
Cleankill (Environmental Services Ltd)	Greater London	Yes
Climatrix Ltd	Greater London	No
Collinstown Construction Ltd	Lambeth	Yes
Diamond Build Plc	Greater London	No
DJ Electrics Security	Greater London	Yes
Foster Property Maintenance	No	Yes

GEM Environmental Building Services Limited	Greater London	Yes
Inception Mechanical & Electrical Solutions Limited	Greater London	Yes
Kabaku General Services Ltd	Greater London	Yes
Millwood Servicing Limited	Greater London	Yes
MNM Property Services Ltd	Greater London	Yes
MSJ Drain Clearance	Lambeth	Yes
NLT Property	Greater London	Yes
NRT Group	No	Yes
PlayFix Limited	No	Yes
RME Services	No	Yes
Saltash Enterprises Ltd	Greater London	Yes
Ser Contractor Ltd	Lambeth	Yes
Ser Electrical Contractors Ltd	Lambeth	Yes
Thermoserv Ltd	Greater London	Yes
Txr Maintenance & Construction Ltd	Lambeth	No

- 1.4 The business case was approved on 26 April 2021. The procurement strategy was approved on 1 June 2021.
- 1.5 The tender was advertised on the council's e-tendering portal (EU Supply) with notice published on the UK e-notification 'Find a Tender Service' (FTS). The tender went live on EU Supply on 16 July 2021 with a return date of 23 August 2021. The tender opportunity was extended to 6 September 2021 on the recommendation of the council's procurement team.

2. PROPOSAL AND REASONS

- 2.1 This report proposes the acceptance of the 26 contractors onto the Lambeth minor works call-off framework who have met the requirements of the SSQ exercise.
- 2.2 Five of the 26 applicants to the framework have not submitted all required documentation. It has been noted through tender evaluation that sole traders and small companies had difficulties complying with the requirements of the tender process. Procurement advice is that the council is permitted to continue the award process while continuing to support these businesses to supply their documentation. However, if any contractor is not compliant by end November 2021, they will then be excluded from the framework.
- 2.3 As there is no guarantee of work or income to any company accepted onto the Property Services call off framework contract, there was no requirement for suppliers to commit to social value in absolute terms. However, the following social value commitments have been proposed by tenderers and companies will be required to honour these on award of individual contracts via the framework:
- a) Increasing the level of spend with local companies
 - Twenty-one of the companies included on the framework identify as micro, small or medium enterprise.
 - Five of the companies included on the framework are based in Lambeth and a further 15 are based in Greater London
 - Social value offers to utilise local supplier outlets and to engage with local SME supply chains by holding workshops during mobilisation and ensuring fair pay to SME's
 - b) Innovation
 - offering DIY workshops to local residents
 - c) Good quality jobs with fair pay and decent working conditions
 - The 'special conditions' appended to call-off terms will require all companies to pay the London Living Wage to directly employed staff and any sub-contractors within this framework contract.
 - target 5% of workforce in earn and learn positions
 - As works is expected to be low-value and at intermittent volumes, there were no commitments to apprenticeships. However, one company offered 2 x 1-week placements per year offering onsite work experience.
 - Establish an annual recruitment programme for local people to supplement their existing workforce.
 - In addition to working with employment charities, one company is working to create roles for female ex-offenders from HMP Downview.
 - d) Reduce emissions
 - Commissioning works via a local-Lambeth framework may reduce emissions arising from travel to site A qualification criterion implemented was that bidders must be based within one-hour journey time of Lambeth Town Hall. This has resulted in companies in the Southeast exclusively applying for the contract.
 - Commitment to 'carbon neutral 2030' themselves, both in facilities and sites
 - Commitment to use solar-powered welfare facilities

2.4 Bidders were able to apply for all and any of three competitive Lots according to future contract value. Most bidders have applied for the opportunities at all contract values up to £250,000.

Table 2

Supplier name	Lots applied for
Collinstown Construction Ltd	All Lots
MSJ Drain Clearance	All Lots
Ser Contractor Ltd	All Lots
Ser Electrical Contractors Ltd	All Lots
Txr Maintenance & Construction Ltd	All Lots
Ardent Security Ltd	All Lots
B&M McHugh Limited	Lots 2 and 3 only
Circle Facilities Management Ltd	All Lots
Cleankill (Environmental Services Ltd)	All Lots
Climatrix Ltd	All Lots
Diamond Build Plc	Lots 3 only
DJ Electrics Security	All Lots
GEM Environmental Building Services Limited	All Lots
Inception Mechanical & Electrical Solutions Limited	All Lots
Kabaku General Services Ltd	All Lots
Millwood Servicing Limited	All Lots
MNM Property Services LTD	All Lots
NLT Property	All Lots
Saltash Enterprises Ltd	All Lots
Thermoserv Ltd	All Lots
AGS One	All Lots
CCR Property Services Ltd	All Lots
Foster Property Maintenance	All Lots
NRT Group	All Lots
PlayFix Limited	All Lots
RME	All Lots

Works with a value of over £250,000 will be procured outside of this framework to ensure value for money by engaging in a wider competition in accordance with the Council's Contract Standing Orders (CSOs).

2.5 The number of contractors who have expressed interest by service category is shown below.

Table 3

Trades and minor repairs	Number of contractors
Playground equipment repairs	2 for Lots 1-3
Fountains and waterpoint installation and repair	1 for Lots 1-3
Public clock repair	1 for Lots 1-3
Automated doors and gates	3 in Lots 1-2, 2 in Lot 3
Catering equipment repairs	3 in Lots 1-2, 2 in Lot 3
Fire safety systems	4 for Lots 1-3
Lighting control systems	5 in Lots 1-2, 4 in Lot 3
General landscaping	5 in Lots 1-2, 3 in Lot 3
Plumber	10 in Lots 1-2, 8 in Lot 3
Electrician	10 in Lots 1-2, 8 in Lot 3
Carpenter/ joiner	7 in Lots 1-2, 5 in Lot 3
Masonry	6 in Lots 1-2, 4 in Lot 3
Fencing and railings	7 in Lots 1-2, 4 in Lot 3
Gas engineer	6 in Lots 1-2, 5 in Lot 3
Conservation and heritage asset repair	3 in Lots 1-2, 2 in Lot 3
General building and infrastructure repairs and maintenance	
Water testing	2 in Lots 1-3
Mechanical and electrical engineering	9 in Lots 1-2, 8 in Lot 3
Building fabric	8 in Lots 1-2, 7 in Lot 3
Heating, ventilation and air conditioning systems	5 in Lots 1-2, 3 in Lot 3
Roofs and guttering	6 in Lots 1-2, 5 in Lot 3
Jetting	7 in Lots 1-3
Floodlights and external lighting	5 in Lots 1-3
Drainage	5 in Lots 1-3
Footpath and external hard surface repairs	5 in Lots 1-3
Scaffolding	4 in Lots 1-2, 3 in Lot 3
Combined heat and power plant	4 for Lots 1-3
Building refurbishment works e.g. roof works	11 in Lots 1-2, 9 in Lot 3
Security systems	2 in Lots 1-2, 1 in Lot 3

2.6 Supplier Selection Questionnaire (SSQ)

The Supplier Selection Questionnaire (SSQ) is a mandatory stage in public sector procurements where the Contracting Authority gathers information on and make assessments of prospective bidders' credentials, before considering tenders and awards of contracts. Parts 1 and 2 of the SSQ provides us with information about companies' track records, financial credentials, health and safety incidents and whether they have been involved in corruption, which would provide the Council with grounds to exclude such bidders. Part 3 of the questionnaire was modified to encourage small trades persons and local businesses to apply to the framework by requesting a range of evidence from bidders to support their application for each Lot.

The following supporting evidence was required per Lot:

Table 4

	Financial risk assessment	Service risk mitigation
Lot 1	<ul style="list-style-type: none"> Recent trade bank references or known to Lambeth Employment and Skills Most recent 1 year's certified trade or company accounts 	<ul style="list-style-type: none"> Trade certification must be from the National recognised trade regulatory body e.g. Gas Safe 18th edition Locality (within 1 hour of Lambeth Town Hall for responses) Relevant public liability insurance and employer's liability insurance (where applicable) in place
Lot 2	<ul style="list-style-type: none"> Recent trade bank references 2 years certified trade or company accounts 	<ul style="list-style-type: none"> Trade certification must be from the National recognised trade regulatory body e.g. Gas Safe 18th edition Locality (within 1 hour of Lambeth Town Hall for responses) Relevant public liability insurance and employer's liability insurance
Lot 3	<ul style="list-style-type: none"> 3 years certified accounts 	<ul style="list-style-type: none"> Trade certification must be from the National recognised trade regulatory body e.g. Gas Safe 18th edition Locality (within 1 hour of Lambeth Town Hall for responses) Relevant Public Liability insurance and Employer's liability insurance
<p>** Note: If a bidder applied for all three Lots, their evidence for Lot 3 would satisfy their evidence for all 3 Lots **</p>		

All bidders accepted onto the framework are required to provide their evidence, otherwise they may not be invited to participate in further competition exercises.

2.7 In addition to the SSQ, bidders were invited to submit responses to technical (quality) questions and propose discount rates (commercial) on potential costs of works to be delivered under this framework. All compliant tenders were evaluated for both their quality and commercial responses in relation to the Authority's requirements. The evaluation methodology includes a range of weightings that are applied to each criterion. At a high level, the allocation of scores was as shown in table 4 below:

Table 5: High-level evaluation criteria

Item	Evaluation Criteria	Weighting %
1	Quality (inc. social value 10%)	60
2	Commercial (discount rates)	40
Total		100%

2.8 Quality Evaluation

The quality element was evaluated using the criteria set out below in Table 6 below, and in accordance with the scoring criteria in Table 7:

Table 6: Evaluation criteria by Lot

High level weighting		Criteria	Level 1 weighting	Level 2 criteria	Level 2 weighting
Lot 1	Quality 60%	References	50%	Reference 1: <ul style="list-style-type: none"> • Individual or company of reputable standing • Length of work relationship • After care provided 	25%
				Reference 2: Criteria as for Reference 1	25%
		Social value	10%	Social value and community benefits	10%
	Commercial	40%	Discount rates	40%	
	Total	100%		100%	
Lots 2 and 3	Quality 60%	Delivery method statement	50%	Processes and activities	15%
				Equipment and resources	15%
				Performance standards	20%
		Social value	10%	Social value and community benefits	10%
	Commercial	40%	Discount rates	40%	
	Total	100%		100%	

Table 7: Scoring matrix

Score	Rating	Description
0	No Response	No proposal has been received The response is unacceptable.
1	Unacceptable	A proposal at this rating: <ul style="list-style-type: none"> Builds very little or no confidence that the Tenderer can deliver the requirements due to insufficient evidence of relevant ability, understanding, skills, resources and quality measures; Builds very little or no confidence that the Tenderer's approach/solution will deliver the requirements due to insufficient evidence or an inappropriate approach/solution.
2	Poor	A proposal at this rating: <ul style="list-style-type: none"> Raises reservations that the Tenderer can deliver the requirements due to insufficient evidence of relevant ability, understanding, skills, resources and quality measures; Raises reservations that the Tenderer's approach/solution will deliver the requirements due to insufficient evidence or an inappropriate approach/solution. <p><i>Note: a response at this rating includes reservations which cannot be easily resolved with the Tenderer pre-contract award (i.e. changes which would distort the competition) or during the contract term without impacting time, quality or cost.</i></p>
3	Acceptable	A proposal at this rating: <ul style="list-style-type: none"> Confirms that the Tenderer can deliver the requirements through evidence of relevant ability, understanding, skills, resources and quality measures; Provides an acceptable approach/solution to delivering the requirements utilising standard strategies, plans, tools, methods or technologies. <p><i>Note: an acceptable response may include minor reservations that can easily be resolved with the Tenderer pre-contract award (i.e. changes which would not distort the competition) or during the contract term without impacting time, quality or cost.</i></p>
4	Good	A proposal at this rating: <ul style="list-style-type: none"> Builds confidence that the Tenderer can deliver the requirements through evidence of relevant ability, understanding, skills, resources and quality measures; Provides a good approach/solution to delivering the requirements utilising appropriately tailored strategies, plans, tools, methods or technologies. <p><i>Note: a good response may include a small number of minor reservations that can easily be resolved with the Tenderer pre-contract award (i.e. changes which would not distort the competition) or during the contract term without impacting time, quality or cost.</i></p>
5	Excellent	A proposal at this rating: <ul style="list-style-type: none"> Builds a high level of confidence that the Tenderer can deliver the requirements through evidence of relevant ability, understanding, skills, resources and quality measures; Provides an exceptional approach/solution to delivering the requirements utilising appropriately tailored and at times innovative strategies, plans, tools, methods or technologies. <p><i>Note: an excellent response should not include any reservations.</i></p>

2.9 Provider(s) were asked to detail the social value benefits that they could expect to deliver through this contract. Some of these are detailed in paragraph 2.3. For works valued at £25,000 or greater, more detailed targets to deliver social value will be embedded within the project specific exercises.

2.10 Commercial evaluation

The commercial element was evaluated on based on the percentage discount the bidder could offer against the National Schedule of Rates 2020-21 for all Lots. A clear marking scheme was provided showing the 1-5 score merited by each 2 per cent increase in discount offered.

Below are the matrices used for scoring the discount rates proposed per Lot:

Evaluation – Lot 1	Range	Score
Offers a discount of less than 7.67%	Less than 7.67%	0
Discount between 7.67% and up to additional 1.99%	7.67% to 9.66%	1
Discount rate which is between 2% - 2.99% more than the Authority's required discount	9.67% to 10.66%	2
Discount rate which is between 3% - 3.99% more than the Authority's required discount	10.67% to 11.66%	3
Discount rate which is between 4% - 4.99% more than the Authority's required discount	11.67% to 12.66%	4
Discount rate which is 5% or higher than the Authority's required discount	12.67% and above	5

Evaluation – Lot 2	Range	Score
Offers a discount of less than 7.75%	Less than 7.75%	0
Discount between 7.75% and up to additional 1.99%	7.75% to 9.74%	1
Discount rate which is between 2% - 2.99% more than the Authority's required discount	9.65% to 10.74%	2
Discount rate which is between 3% - 3.99% more than the Authority's required discount	10.75% to 11.74%	3
Discount rate which is between 4% - 4.99% more than the Authority's required discount	11.75% to 12.74%	4
Discount rate which is 5% or higher than the Authority's required discount	12.75% and above	5

Evaluation – Lot 3	Range	Score
Offers a discount of less than 8.25%	Less than 8.25%	0
Discount between 8.25% and up to additional 1.99%	8.25% to 10.24%	1
Discount rate which is between 2% - 2.99% more than the Authority's required discount	10.25% to 11.24%	2
Discount rate which is between 3% - 3.99% more than the Authority's required discount	11.25% to 12.24%	3
Discount rate which is between 4% - 4.99% more than the Authority's required discount	12.25% to 13.24%	4
Discount rate which is 5% or higher than the Authority's required discount	13.25% and above	5

The pricing evaluation was carried out by officers from FM and Property Services. All members of the evaluation panel signed a Declaration of Interest form to ensure commercial confidentiality.

2.11 Overall Outcome

The quality and commercial scores for each bidder are detailed in Part II of this report.

2.12 Further competition

Further competition will be the default approach wherever possible to provide opportunity to all framework suppliers. Invitation to bid will be sent to lowest-priced suppliers inviting them to quote for the work. If three quotes are not received, further suppliers will be invited to quote. Acceptance of quote will be based primarily on lowest price quote and the timeline within which the contractor can deliver the service.

There remains an option for direct award across all Lots. Direct award will be considered in exceptional circumstances, for example in an extremely urgent situation or if there are no other suppliers on the framework delivering these services. The invitation will be sent to the supplier offering the highest discount at tender stage, in consideration of the evidence they have provided of satisfactory competence to deliver the services required.

2.13 Contract Terms and Conditions

The framework will use terms and conditions approved by Lambeth Legal Services.

3. FINANCE

3.1 The framework will be for a period of four years commencing in November 2021 and running until October 2025. The estimated value of work that will be placed with contractors on the framework over four years is up to £8m.

3.2 The £8m value attached to the framework was established based on the current capital and revenue allocation for FM and Property Services whilst also allowing for expenditure by other services and external partners such as schools for works to buildings not directly managed by FM and Property Services.

3.3 This is a call-off framework and there will be no guarantee of work given to any company appointed. Works commissioned through the framework will be funded from existing revenue and capital budgets. There are no financial implications for the framework other than the cost of resourcing the client side which will be undertaken by existing established posts in the new FM and Property Services structure. Advice from Lambeth Procurement is that that this period of support can extend throughout the award process until the first mini competition for works.

3.4 There are no savings arising from this contract.

Have savings been delivered against this contract	No
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4. LEGAL AND DEMOCRACY

4.1 The authority to enact this report's recommendation is delegated to the Cabinet Member for Finance and Investment. Before exercising that authority, this paper should be reviewed by the Procurement Board.

4.2 Under the Contract Standing Orders, all contracts with an estimated value of £100,000 or more should be competitively tendered to ensure that all tenderers have the economic and financial standing, technical ability and resource capacity to fulfil the Council's requirements. This report demonstrates how officers have complied with this requirement.

- 4.3 The Public Contracts Regulations 2015 applies to the proposed tender and as the value of the framework is above the £4,733,252 threshold for works, the Council was obliged to publish a notice on the UK e-notification FTS, and officers complied with this requirement.
- 4.4 This proposed key decision was entered in the Forward Plan on 28 May 2021 and the necessary 28 clear days' notice has been given. In addition, the Council's Constitution requires the report to be published on the website for five clear days before the proposed decision is approved by the Cabinet Member. Any representations received during this period must be considered by the decision-maker before the decision is taken. A further period of five clear days – the call-in period – must then elapse before the decision is enacted. If the decision is called-in during this period, it cannot be enacted until the call-in has been considered and resolved.

5 CONSULTATION AND CO-PRODUCTION

- 5.1 The Cabinet Member for Finance was formally consulted on the approach and their views considered. The member's consent of the report and its award recommendations will be obtained.
- 5.2 In coming to the proposed decision, officers have undertaken a consultation exercise of key stakeholders to ensure the success of the proposed new arrangements. This is shown in the report audit trail.

6 RISK MANAGEMENT

- 6.1 The main risks that impede on the successful implementation of this framework are:

Table 8: Risk register

Item	Risk	Likelihood	Impact	Score	Control Measures	Risk Owner
1	Increased costs due to market changes	2	2	4	Bidders are required to offer a discount against National Schedule of Rates 2020/21. Bidders may bid lower during further competition	FM HoS
2	Insufficient numbers of tender submissions/ not covering all required services	2	4	8	Further exploration with bidders of the types of services that they can provide following appointment to the framework	FM HoS
3	Delays in tendering and the governance process	2	2	4	Updates on adherence to the timeline will be provided to the Resident Services procurement meetings (fortnightly)	FM HoS

Key

Likelihood	Very Likely	4	Likely	3	Unlikely	2	Very Unlikely	1
Impact	Major	8	Serious	4	Significant	2	Minor	1

7 EQUALITIES IMPACT ASSESSMENT

- 7.1 An equalities impact assessment has been undertaken and updated post-procurement. The equalities impact for this procurement are low.

8 COMMUNITY SAFETY

8.1 There are no community safety implications for this framework.

9 ORGANISATIONAL IMPLICATIONS

9.1 There are no organisational implications for this framework.

Environmental

9.2 Commitment to improve air quality, carbon emissions and impact on climate change are one of the key deliverables from this procurement. Specific actions will be required through individual contracts. FM and Property Services will work with suppliers to minimise environmental impact within each works.

Health

9.3 N/A

Corporate Parenting

9.4 N/A

Staffing and accommodation

9.5 N/A

Responsible Procurement

9.6 There is no guarantee of work or income to any company accepted onto the Property Services call off framework contract and there is no requirement for suppliers to commit to social value in absolute terms. However, paragraph 2.3 details some of the commitments to social value secured through this procurement exercise.

9.7 Good quality jobs with fair pay and decent working conditions
It is intended to secure the London Living Wage (as accredited by the Living Wage Foundation) for directly employed staff and any sub-contractors within this framework contract. This will be reflected in the Special Conditions as appended to the call-off terms.

For Lot 3, all bidders were asked to demonstrate that they:

- Comply with the requirements of the Modern Slavery Act. For all organisations with a turnover of over £36million, this means the production of a Modern Slavery Statement and for others a need to verify that they meet the requirements.
- Have a staff whistleblowing policy, which provides a procedure through which employees of suppliers can challenge any unfair treatment around pay, working conditions or other issues.
- Provide their staff with the freedom to join a Trade Union through awareness raising the benefits of joining a Trade Union.

9.8 Quality apprenticeships, targeted employment for Lambeth residents and Lambeth priority group
Three suppliers have offered apprenticeships sourced from the local community where contracts are awarded. One has offered short-term work placements considering the intermittent nature of the works.

9.9 Reduce emissions

Commissioning works via a local-Lambeth framework may in itself reduce emissions arising from travel to site. Five of the companies included on the framework are based in Lambeth and a

further 15 are based in Greater London.

In addition, bidders were asked to state how they will support the objective of Lambeth being carbon neutral by 2030. The following were all offered:

- operate Euro 6 vehicles
- operation of a single use plastics policy
- low-waste-by-design approach
- cutting costs, waste and travel emissions through making use of local suppliers
- minimising their impact on the environment via our ISO14001 environmental management system
- themselves intending to be carbon neutral business by the end of 2021

9.10 Single use plastics, reducing packaging and plastics

Authority is committed to the reducing consumption of raw materials and increasing the reuse of materials. All suppliers bidding for Lot 1 would increase reuse of materials. One supplier has a single use plastics policy. Considering the impact of single use plastics within the construction industry, FM and Property Services would work with framework contractors to improve their understanding and commitment within this category.

9.11 Positive health and wellbeing

Bidders were required to state their commitment to the health and wellbeing of their employees. Suppliers with a turnover of over £16million are required to adopt the Healthy Workplace Charter.

9.12 Innovation

Lambeth's responsible procurement policy also suggests that suppliers should be given the flexibility to innovate around the outcomes that they can deliver. This included:

- setting up an accreditation scheme for local businesses to bid for sub-contracting work
- offering DIY workshop to local residents
- establish an annual recruitment programme for local residents to supplement their existing workforce

10 TIMETABLE FOR IMPLEMENTATION

Activity	Proposed date
Date published on Forward Plan	28 May 2021
Procurement Board sign off	5 October 2021
Publication on Decisions Online	20 October 2021
Delegated Officer Decision	29 October 2021
Execution of contract	31 November 2021
Mobilisation period for contract	31 November 2021
Commencement of contract	N/A

AUDIT TRAIL

Consultation				
Name and Position/Title	Lambeth Directorate	Date Sent	Date Received	Comments in paragraph:
Clr Claire Holland	Leader	5.10.21	18.10.21	
Councillor Andrew Wilson	Cabinet Member for Finance and Investment	23.09.21	23.09.21	
Bayo Dosunmu	Strategic Director Resident Services	22.09.21	22.09.21	
Venetia Reid-Baptiste	Director Environment & Streetscene	21.09.21	21.09.21	Throughout
Jennifer Rhoden	Procurement Category Manager	09.09.21	15.09.21	Throughout
Michael O'Hora	Legal & Governance	14.09.21	15.09.21	4
Andrew Ramsden	Finance & Property	14.09.21	4.10.21	3
Grace Ferris	Sustainability	14.09.21	24.09.21	Throughout
Marianna Ritchie	Legal and Governance	23.09.21	30.09.21	Throughout

REPORT HISTORY

Original discussion with Cabinet Member	7 June 2021
Report deadline	15 September 21
Date final report sent	16 September 2021
Part II Exempt from Disclosure/confidential accompanying report?	Yes
Key decision report	Yes
Date first appeared on forward plan	28 May 2021
Key decision reasons	Value of framework over 4 years is £8m
Background information	None
Appendices	None

APPROVAL BY CABINET MEMBER IN ACCORDANCE WITH SCHEME OF DELEGATION

I confirm I have consulted Finance, Legal, Democratic Services and the Procurement Board, and taken account of their advice and comments in completing the report for approval:

Name: Councillor Andrew Wilson

Date: 23 September 2021

Post: Cabinet Member for Finance and Investment

I confirm I have consulted Finance, Legal, Democratic Services and the Procurement Board, and taken account of their advice and comments in completing the report for approval:

Name: Patricia Anamoah

Date: 21 September 2021

Post: Assistant Director FM, Property & Projects

I approve the above recommendations:

Name: Venetia Reid-Baptiste

Date: 21 September 2021

Post: Divisional Director Environment and Streetscene

I approve the above recommendations:

Name: Bayo Dosunmu

Date: 22 September 2021

Post: Strategic Director Resident Services

Any declarations of interest (or exemptions granted): None

Any conflicts of interest: None

Any dispensations: None

Equalities Impact Assessment for the FM Call-Off Framework

Q1a. What is changing?

Reactive and planned preventative maintenance is delivered via the CCS FM Hard services contract. The FM Hard Services contractor does not have exclusivity. An increase in the volume of work and emerging capacity issues has brought forward a need to ensure that delivery of our FM & Property services is protected by having a call-off framework. The procurement of a call-off framework of contractors will provide the following advantages:

- Increase capacity to deliver minor works and refurbishment projects
- Reduce procurement costs & time taken to complete works
- Allow for increased use of local businesses thus supporting the local economy
- Allow use of local and specialist trades persons
- Provide additional capacity for the support of projects arising from carbon reduction targets
- Provide additional capacity to support traded services to schools and third-party partners

FM will continue to operate the CCS framework, FM Hard Services contract with Integral. This will deliver reactive maintenance and planned preventative maintenance at its core. This proposed call-off framework will be used to provide capacity for follow on works due to planned maintenance inspections and repairs arising from asset end of life or failure, and refurbishment/change of use projects that may arise from time to time. The principle remains that only works that would be chargeable (billable) i.e., incur additional contract cost will be procured via call-off. For clarity, works costed in the Integral Hard FM services base price will not be available for call-off.

Constructionline prequalifies construction providers used by Lambeth and other public organisations. This would have been the option viable to FM, however there is a barrier for small business and trades people for inclusion on this framework due to cost considerations. FM propose to develop a local Lambeth framework to ensure that local businesses have an opportunity to participate in delivering FM services.

The services will be outsourced and there will be no TUPE implications from existing contracts.

Lambeth has a duty under the DDA to ensure buildings are accessible. This contract will ensure that access is maintained, for example lift serving and maintenance. Failure to maintain buildings may have an adverse effect with the potential to accelerate their depreciation and worsen their general condition. Contractor staff be offered access to Lambeth training courses

Contract & Specification

A review of service capacity indicates that contractors are needed to provide the services as set out in table 1 below:

Table 1: Service categories and trades

Trades and Minor repairs (Lots 1,2 and 3)	General building and infrastructure repairs and maintenance (Lots 2 and 3 only)
Playground equipment repairs	Water testing
Fountains and waterpoint installation & repair	Mechanical and electrical engineering
Public clock repair	Building fabric
Automated doors & gates	Heating, ventilation and air conditioning systems
Catering equipment repairs	Roofs and guttering
Fire safety systems	Jetting
Lighting control systems	Lifts
General landscaping	Security systems
Plumber	Floodlights and external lighting
Electrician	Drainage
Carpenter/ joiner	Footpath and external hard surface repairs
Masonry	Scaffolding
Fencing and railings	Combined heat and power plant
Gas engineer	Padding pool/water play repairs

There may be some changes to the way the services are delivered to align to internal service delivery, e.g. scheduling of essential maintenance works. Tackling inequality is one of Lambeth's strategic priorities. The contract terms and conditions require suppliers to comply with equalities legislation. Suppliers will also support this by the commitments they make to social value.

Q1b. Who will be involved in approving this decision?

Procurement Board, Strategic Director: Resident Services, Director of Environment & Streetscene, Finance, Legal Services, Democratic Services, Sustainability Cabinet Member for Finance and Performance, Leader of Lambeth Council

Q2a. What do we know about the people who will be impacted by this change?

The equalities impact for the tender were considered as part of the Procurement Strategy. The stakeholders who could be impacted by change are Lambeth staff, contractor staff, elected members, Lambeth partners accessing the contract, schools, Lambeth residents, businesses, visitors to and users of Lambeth buildings, 'friends' groups (e.g. Friends of Libraries, Friends of Parks) and voluntary and community sector users of council buildings.

Design and maintenance takes account of the needs of disabled users of the facilities. Building Regulations provide minimum standards for disabled access.

Within stakeholder groups, identified individuals may fall into this group.

Groups were identified from a number of sources including the borough plan, service areas within Lambeth directorates, Lambeth customers and residents, and diverse staff groups, including (but are not limited to):

- Women
- Black, Asian, and multi-ethnic
- LGBTQI
- Children and young people including looked after children, NEETs and young offenders
- People* with visual disabilities
- People* with hearing disabilities

- People* with physical disabilities and including wheelchair users and people with mobility problems
- People* with learning disabilities
- People* with mental health issues
- Men over 55
- Older persons
- People* who may have English as a second language

*including children and young people

Contractor staff & sub-contractors

Successful suppliers appointed to the Framework will be required to provide a summary of staff equalities information on an annual basis.

Q2b. How will they be impacted by this change?

The outcome of the procurement is a framework of local contractors and trades people to support the delivery of minor works and projects to the Lambeth corporate estate. Social value and responsible procurement will be included as part of the framework terms and conditions for works awarded. The framework itself will deliver social value by awarding work to local contractors and trades people increasing spend with local suppliers and supporting the local economy.

This framework will deliver positive outcomes **for all stakeholders and groups**. Benefits for some of our key protected characteristic groups are:

Disability

- Buildings will be maintained ensure they are safe and operational for all, with an acceptable environment
- Design solutions are suitable for use by the whole community
- Accessibility to council buildings is maintained and improved, for example maintenance and servicing of lifts has a potentially positive impact on people by helping them gain access to & from parts of relevant buildings. The contract has a potentially positive impact on people with disabilities by helping them gain access to & from parts of relevant buildings
- Access to places on Lambeth training courses to improve awareness of priority groups, disabilities and awareness of gender bias, for example, autism awareness, transgender awareness.

Socio-economic

- Increased level of spend with local suppliers and trades people which will support the local economy
- Increased positive outcomes for the community through improved social value commitments. These will be aligned with Lambeth's Borough Plan
- Positive outcomes and social value commitments are delivered throughout the life of the contract. There will be a notable impact for larger commissions, up to the value of £250,000 where social value commitments identified through tenders received will become redeemable
- Positive outcomes and social value commitments are focused on support for:
 - Good quality jobs with fair pay and decent working conditions
 - Quality apprenticeships, targeted employment and Lambeth priority groups
 - Reduced emissions to support the commitment to be carbon neutral by 2030
 - Single use plastics, reducing packaging and plastics
 - Positive health and wellbeing
 - Innovation offers

Health and Wellbeing

- Healthy workplace charter:

- All providers where more than 250 staff are employed will be required to be accredited to the London Healthy Workplace Charter
- Where less than 250 staff are employed providers will be encouraged to make a commitment to the introduction of a healthy workplace charter

Stakeholders: Lambeth staff; elected members; Visitors to Lambeth buildings; Lambeth residents and service users; Schools staff, pupils and parents; Lambeth partners/ 3rd sector providers (including Brixton Rec); 'friends' groups (e.g. Friends of Libraries, Friends of Parks); businesses; other contractors

- Stakeholders may work in buildings maintained by the contractor and may include staff from protected groups with specific needs
- Stakeholders may make work requests via the contractor helpline and receive responses from the contractors helpline
- Lambeth Landscapes (in-house DLO) will interface with contractors staff and sub-contractors
- Elected members may receive compliments or complaints about service delivery from service users, schools or Friends groups
- Stakeholders may come into contact with contractor staff when they are working.
- Friends groups play an important role in the governance and use of parks and libraries
- FM, Property Services Hard FM and Soft FM contactors will interface with framework contractors staff
- Property Services' project management consultants will manage projects and conduct mini tenders and value for money exercises using the framework on behalf of the Authority

Q3a. How do you plan to promote and deliver any positive impacts of the proposal?

The framework will be managed and monitored by FM, Property Services.

Tender evaluation

Property Services will conduct the procurement using a one-stage open procedure. An open tender process will increase the opportunity for smaller-sized and local companies to compete in the tender. There will be no prequalification stage and all bids will be evaluated.

Working with colleagues from Lambeth Employment and Skills, Property Services will use a targeted approach to support suitable, local trades people and business to access opportunities to work with Lambeth. This will include:

- Developing bespoke Invitation to Tender (ITT) criteria developed with local businesses in mind
- Using council databases to identify relevant trades and businesses for direct engagement regarding the tender
- Marketing of tender opportunity through local organisations, such as Business Improvement District (BID) forum and supplier newsletter.

As the borough faces significant economic, social, and environmental challenges, including unemployment, low skills, significant poverty and deprivation, ill-health, and poor air quality, this procurement is an opportunity to improve standards across the council's supply chain.

Property Services' objective through this procurement is to assist the council in securing economic, social and environmental improvements.

Framework award

At framework award stage communications will be issued to promote the positive impacts of the new contract. The delivery of social value commitments will be measured and monitored throughout the life of the contract and reported through contract monitoring including Procurement Gateway four.

Pay

Suppliers will be asked to commit to payment of London Living Wage or above for all directly employed staff.

Social value (see also tender evaluation above)

The specification will include a requirement for all bidders to set out how they will support Lambeth's strategic priorities and this will form part of the formal tender evaluation. This has been aligned to Lambeth's priorities to support priority groups, community groups and small and medium enterprises (SMEs). This will include provision of apprenticeships, jobs, work placements, offers, and training. The social value commitments made by suppliers will be monitored and measured and reported annually as a minimum. Suppliers will be encouraged to provide opportunities for people with a higher level of need, for example through work placements, support into work, apprenticeships and new jobs.

There is no guarantee of work or income to any company accepted onto the Property Services minor works call off framework contract and there will be no requirement for suppliers to commit to social value in absolute terms. It is proposed that the social value demonstration required will ask bidders to specify how they will support the local community in their social value commitments, e.g. support for community events, volunteering hours etc. It should be noted that the call-off framework itself supports Lambeth social value objectives by increasing the level of spend with local companies.

Q3b. How do you intend to address and mitigate any negative impacts of the proposal?

- Resource required from businesses within the borough to bid to the local Lambeth framework
Mitigate by: Working with Employment and Skills and Procurement teams within the council to review the tender requirements and make these streamlined as possible
- Impact on CCS framework contractor Integral from contracting minor works out direct
Mitigate by: Early engagement with the contractor, explaining reasons for the decision to set up framework, allowing contractor to access the resources to use for delivery of their own work commitments and to support delivery of the Lambeth FM contract.
- Resource required within FM and Property Services to create and maintain a healthy framework
Mitigate by: Close working across the council to improve efficiency and outcomes
- It will be difficult to track and measure social value delivered through multiple/ small contracts awarded
Mitigate by: Option for contractors to pay into for payment into Social Value Fund, Operational manual developed which includes methods for tracking delivery of social value.

Q4. How will you review/ evaluate your proposal, mitigating actions and/or benefits? Who will be responsible for this?

Policies will be checked as part of the procurement. The supplier's method statements will include their proposals for supporting Lambeth's Responsible Procurement Policy. Contractors appointed to the framework will be required to provide equalities information regarding staff. The contract will set out the frequency for provision of the information. This information will be included in the annual contract review.

The procurement award report will detail the positive benefits offered by the successful suppliers. An annual review and update of the EIA will be carried out as part of the formal annual contract review.

The social value commitments will be measured and monitored throughout the contract term. Reports will be provided to the Director for Environment and Streetscene.

Support from Employment and Skills to reach out to Lambeth SMEs and sole traders, especially those negatively affected by the COVID-19 pandemic.