

Merton Council

Cabinet Agenda

Membership

Councillors:

Ross Garrod (Chair)
Eleanor Stringer
Stephen Alambritis MBE
Billy Christie
Caroline Cooper-Marbiah
Brenda Fraser
Natasha Irons
Andrew Judge
Sally Kenny
Peter McCabe

Date: Wednesday 17 May 2023

Time: 8.15 pm or on the rise of the Annual Council meeting scheduled for 7.15pm on the same evening.

Venue: Committee Rooms DE, Merton Civic Centre, London Road, SM4 5DX

This is a public meeting and attendance by the public is encouraged and welcomed. For more information about the agenda please contact democratic.services@merton.gov.uk or telephone [020 8545 3357](tel:02085453357).

All Press contacts: communications@merton.gov.uk, 020 8545 3181

Cabinet Agenda

17 May 2023

1	Apologies for absence	
2	Declarations of pecuniary interest	
3	Minutes of the previous meeting	1 - 8
4	Waste and Street Cleansing Commissioning: Specification for Waste & Recycling Procurement	9 - 28
5	Award of Contract for Security and Support Services	29 - 34
6	Exclusion of the public To RESOLVE that the public are excluded from the meeting during consideration of the following report(s) on the grounds that it is (they are) exempt from disclosure for the reasons stated in the report(s).	
7	Exempt Minute - Cabinet 20 March 2023	Exempt Pack
8	Exempt Appendix - Item 4	Exempt Pack
9	Exempt Appendices Item 5	Exempt Pack

Note on declarations of interest

Members are advised to declare any Disclosable Pecuniary Interest in any matter to be considered at the meeting. If a pecuniary interest is declared they should withdraw from the meeting room during the whole of the consideration of that matter and must not participate in any vote on that matter. For further advice please speak with the Managing Director, South London Legal Partnership.

Agenda Item 3

All minutes are draft until agreed at the next meeting of the committee/panel. To find out the date of the next meeting please check the calendar of events at your local library or online at www.merton.gov.uk/committee.

CABINET

20 MARCH 2023

(7.15 pm - 8.12 pm)

PRESENT Councillors Councillor Ross Garrod (in the Chair),
Councillor Eleanor Stringer, Councillor Stephen Alambritis,
Councillor Billy Christie, Councillor Caroline Cooper-Marbiah,
Councillor Brenda Fraser, Councillor Natasha Irons,
Councillor Andrew Judge, Councillor Sally Kenny and
Councillor Peter McCabe

ALSO PRESENT Hannah Doody (Chief Executive), Graham Terry (Assistant
Director Adult Social Care), Lewis Addlington-Lee (Head of
Leader's Office), Adrian Ash (Interim Director, Environment and
Regeneration), Zara Bishop (Communications Manager), Roger
Kershaw (Interim Executive Director of Finance and Digital),
Calvin McLean (Interim Assistant Director Public Protection),
Jane McSherry (Executive Director of Children, Lifelong
Learning and Families), Louise Round (Interim Executive
Director of Innovation and Change), Wendy Edwards (Senior
Consultant, Children Schools and Families) and Amy Dumitrescu
(Democracy Services Manager)

ATTENDING REMOTELY Lesley Barakchizadeh (Lead Programme Consultant – Corporate
Projects)

1 APOLOGIES FOR ABSENCE (Agenda Item 1)

No apologies were received.

2 DECLARATIONS OF PECUNIARY INTEREST (Agenda Item 2)

There were no declarations of interest.

3 MINUTES OF THE PREVIOUS MEETING (Agenda Item 3)

RESOLVED: That the minutes of the meeting held on 20 February 2023 are agreed as an accurate record.

4 REFERENCES FROM SCRUTINY PANELS (Agenda Item 4)

This item will be taken at a future meeting.

5 COUNCIL PLAN (Agenda Item 5)

The Leader of the Council presented the report which had been developed with consultation with residents and stakeholders and was built around the three Strategic themes – Nurturing Civic Pride, Building a Sustainable Future and Borough of Sport. The Plan outlined what the administration’s ambitions for the Borough and how progress on these would be measured over the next three years.

In response to questions from Cabinet Members, the Leader advised that a Corporate Performance Framework was being developed and would go forward to Scrutiny. The Council would work with partners to deliver on the priorities.

RESOLVED :

That Cabinet

A. Reviewed and approved the draft Council Plan – Building A Better Merton Together for submission to Council for adoption at its meeting on the 19th of April 2023

B. Noted the proposed approach to internal and external communications to launch and communicate the plan with staff, residents and partners

C. Reviewed and approved the accompanying Corporate Performance Framework 2023/24

6 COST OF LIVING UPDATE (Agenda Item 6)

The Cabinet Member for Finance and Corporate Services presented the report, thanking officers and the Cost of Living Working Group for their work. Following declaration of the Cost of Living Emergency in July 2022, the Council had allocated the first £1m of funding in Autumn 2022 and the second £1m and the action plan for the following two years was detailed within the report being presented. The Cabinet Member provided an overview of how the funding would be spent and noted that there would be face to face events taking place and that additional potential funding pots would be kept under review.

In response to questions from Cabinet Members, the Cabinet Member for Finance and Corporate Services responded that the Council would be working with the Croydon Merton and Sutton Credit Union to help setup junior saver accounts for all Year 7 children this year and would provide £20 to each account, and £10 to every adult that opened a trustee account. The Council would use the data the Council held to ensure that support was targeted.

RESOLVED:

A. That Cabinet agreed the Merton Council Cost-of-Living Strategy and Action Plan 2023-25, attached at Appendix I.

B. That Cabinet agreed the indicative proposals for the second tranche of the Cost-of-Living Emergency Support Fund, as set out in Table 1 and at paragraphs 3.10-3.31, including further development of proposals around the CroydonPlus, the Credit Union for Merton, Sutton and Croydon, set out at 3.20.

C. That Cabinet agreed to delegate authority to the Interim Executive Director for Innovation and Change, in consultation with the Cabinet member for Finance and

Corporate Services to make the final decisions relating to this second tranche of funding.

D. Following receipt of the Household Support Fund guidelines on 20 February, that Cabinet delegated authority to the Interim Executive Director for Innovation and Change, in consultation with the Cabinet member for Finance and Corporate Services to make allocations of this fund.

E. That Cabinet noted further work to support residents since the last update report to Cabinet in January

7 CONFIRMATION OF THE IMMEDIATE ARTICLE 4 DIRECTION IN 7 WARDS - RESULTS OF CONSULTATION AND UPDATE ON PROPOSED INTRODUCTION OF LANDLORD LICENSING AND EMPTY HOMES PROJECT' (Agenda Item 7)

The Cabinet Member for Housing and Sustainable Development presented the report which followed extensive consultation and recommended confirmation of the Article 4 direction for the listed wards, following the introduction of an immediate direction introduced in those wards in November 2022. This and other channels had produced significant data which had been gathered and analysed and had demonstrated that those wards were likely to have more HMOs causing harm to the area and that were an immediate threat to the local amenity. The Cabinet Member gave an overview of the recommendations within the report.

In response to questions from Cabinet Members, the Cabinet Member responded that there would be an uplift in living conditions and standards in those wards and the recommendations, if approved by Council would enable the Council to employ housing officers to inspect HMOs before they were granted licences and require landlords to take remedial action before the licence was granted. The Leader thanked the Cabinet Member, officers and Councillors for their work.

RESOLVED:

A. Following review of the consultation responses as well as consideration of legal advice from an external barrister, that Cabinet agreed to recommend to Council that the Immediate Article 4 Direction for small HMOs be Confirmed for the following wards: Figge's Marsh; Graveney; Longthornton; Pollards Hill; Colliers Wood; Cricket Green and Lavender Fields.

B. Cabinet noted that there is an ongoing risk of compensation claims being submitted for any small HMOs (6 person and under) that relied on the permitted development rights that have been removed in the 7 wards, and note that claims are only valid if a planning application is submitted within 12 months from the introduction of the Immediate Article 4 (17th November 2022) and then subsequently refused; or if additional Planning Conditions are applied that reduce the development's value

C. Cabinet noted the update on Landlord Licensing and Empty Homes, including the proposed charges and conditions appended, and note that once the full consultation report has been provided to the Council by ORS, a further report will be brought back to Cabinet in June to agree the way forward for Landlord Licensing, following consideration of representations received.

D. Cabinet agreed that the additional cost of £75,000 for project management, housing staffing; and external legal fees up to Oct 23 (date of implementation) be funded by a transfer from the corporate contingency fund.

E. Cabinet delegated Authority to the Executive Director for Housing and Sustainable Development in consultation with the Cabinet Member for Housing and Sustainable Development to Approve the draft Supplementary Planning Document on HMOs for at least 6 weeks of public consultation and to approve any amendments required by proposed changes to the National Planning Policy Framework.

8 LONDON BOROUGH OF MERTON ALCOHOL RELATED PUBLIC SPACES PROTECTION ORDER (PSPO) (Agenda Item 8)

The Cabinet Member for Civic Pride presented the report. The Borough currently had a PSPO which covered the Mitcham Town area and following a formal consultation, 79% of respondents supported expanding the area covered by this. The report therefore recommended discharging the current PSPO and enacting a new Borough-wide PSPO. The Cabinet Member thanked officers and Councillors for their work.

In response to questions from Cabinet Members, the Cabinet Member advised that there would be a broader strategy for those where alcohol was a problem and that a street drinking task and finish group had been established on this issue.

RESOLVED:

A. That Cabinet noted the contents of the Evidence Report, the Public Consultation Findings, and the Equalities Impact Assessment (Appendices 1-3).

B. That Cabinet agreed the proposal to make a borough wide PSPO for alcohol related ASB and make Merton a responsible drinking borough.

9 EXTENSION OF COMMUNITY DEMENTIA SERVICES (Agenda Item 9)

The Cabinet Member for Health and Social Care presented the report, proposing an extension of the current contract, noting that the Council was happy with the service provided. The Council hoped to time the following contract in line with other Boroughs.

In response to questions from Cabinet Members, the Cabinet Member advised that extending the contract would continue to develop a community based model for another year and then the Council would look at recommissioning and that it was clear the contract so far had been a success, following extensive consultation with the current users and stakeholders.

RESOLVED:

A. That Cabinet approved the modification of the contract to allow extension of Community Dementia Services provided by Alzheimer's Society for a further 2 1/2 years (From 1 October 2023-31 March 2026)

10 PUBLIC HEALTH COMMISSIONED SERVICES CONTRACT EXTENSIONS

REPORT (Agenda Item 10)

The Cabinet Member for Health and Social Care presented the report and gave an overview of the recommendations.

RESOLVED:

A. That Cabinet agreed to extend the children and young people's 0-19 health services contract for 12 months (from April 2024 to March 2025) where we have already used the extension options contained within the original contract (see D below).

B. That Cabinet agreed to extend the Adult Substance Misuse contract for a period of 12 months (from April 2024 to March 2025) which builds on the previously agreed 12 month extension which has not been enacted so will require to extend as a single 24 month extension. We have already used the extension options contained within the original contract.

C. That Cabinet agreed to extend the Integrated Sexual Health (ISH) service contract by 6 months (April 2024 to September 2024) allowable within the existing contract and a further period of up to 6 months (October 2024 to March 2025) where the extension options within the existing contract have been used (see D below)

D. That Cabinet approved for these contract extensions to be made under Regulation 72 of the Public Contract Regulations (PCR 2015) without substantial changes to these named contracts as there are no remaining options for extending the existing contracts.

E. That Cabinet noted that the purpose of the three service contract extensions is to align to a large South West London primary and community health services model and pathways being developed in partnership with NHS SWL Integrated Commissioning Board (ICB), to allow the opportunity to explore an integrated system with the potential for integrated service models, pathways and joint commissioning options.

F. That Cabinet delegated authority to the Executive Director Adult Social Care, Integrated Care and Public Health to finalise and approve terms and conditions for the contract extensions, within existing public health grant budget and compliant with public health duties

11 AWARD OF CONTRACT FOR SEND INDEPENDENT AND NON-MAINTAINED SPECIAL SCHOOLS PLACEMENTS (Agenda Item 11)

The Cabinet Member for Education and Lifelong Learning presented the report and thanked officers for their work, noting that some out of borough placements would also be required for children with complex needs which could not be met in Borough.

RESOLVED :

A. That Cabinet agreed to award a new contract for the placement provision of Non-Maintained and Independent Special Schools for Merton's vulnerable children and young people with an Education Health and Care Plan (EHCP) for a period of five (5)

years (until 31 March 2028) with no potential of an extension. The contract value is set out in Appendix A.

B. That Cabinet agreed the providers as listed in Confidential Annex A of this report are awarded a place on the new 'Pseudo DPS' as they have passed the accreditation and enrolment evaluation process, whilst recognising that further organisations will be able to join throughout the duration of the 'Pseudo DPS' if they pass both the accreditation and enrolment stages.

C. That Cabinet delegated its authority to the Director of Children, Schools, and Families to implement the 'Pseudo DPS' and make the decision to award all contracts where the selection criteria has been followed under the 'Pseudo DPS' during its term validity of 5 years (until 31 March 2028)

12 JANUARY FINANCIAL MONITORING REPORT (Agenda Item 12)

The Cabinet Member for Finance and Corporate Services presented the report noting that the net position had continued to move in a favourable position with a £2.7m favourable variance at the end of the finance year.

RESOLVED:

A. That Cabinet noted the financial reporting data for month 10, January 2023, relating to revenue budgetary control, showing a forecast net favourable variance at 31st January on service expenditure of £2.739m when corporate and funding items are included.

B. That CMT note the contents Section 5 and appendices 5a to 5d of the report and approve the amendments in Appendix 5b

That Cabinet noted the contents of Section 5 and appendices 5 a to 5d of the report and approve the adjustments to the Capital Programme in the Table below:

	Budget 2022-23	Narrative
	£	
<u>Environment and Regeneration</u>		
Borough Regeneration - Haydons Rd Shop Front Impr	(49,000)	Adjustment to Levelling Up Grant Coding
Wimbledon Area Regeneration - Wimbledon Hill Road	45,000	Adjustment to Levelling Up Grant Coding
Total	(4,000)	

13 EXCLUSION OF THE PUBLIC (Agenda Item 13)

RESOLVED: That the public are excluded from the meeting during consideration of the following report on the grounds that it is exempt from disclosure for the reasons stated in the report.

14 INVESTMENT STRATEGY (Agenda Item 14)

RESOLVED:

That the recommendation within the report was agreed.

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Committee: Cabinet

Date: 17 May 2023

Wards: ALL

Subject: Waste and Street Cleansing Commissioning: Specification for Recycling & Waste Service Procurement

Lead officer: Dan Jones, Executive Director Environment, Civic Pride & Climate

Lead member: Cllr Natasha Irons, Cabinet Member for Local Environment, Green Spaces and Climate

Contact officer: John Bosley, Assistant Director of Public Space

The following paragraph of Part 4b Section 10 of the constitution applies in respect of information within the appendix and it is therefore exempt from publication:

Information relating to the financial or business affairs of any particular person (including the Authority holding that information).

Members and officers are advised not to disclose the contents of the Exempt appendix.

Recommendations:

That Cabinet:

- A. Agree the proposed enhancements to the waste and recycling service specification in order that the specification can be finalised for submission to the Greater London Assembly as required by the Greater London Authority Act 1999.
 - B. Note the estimated costs associated with each of the proposed enhancements and agree that final costs for the agreed enhancements be allowed for in the Council's Medium Term Financial Strategy from 2025/26.
 - C. Note the rationale and intended benefits of each of the proposed enhancements.
 - D. Note that the final version of the specification for submission to the Greater London Authority will be signed off by the Executive Director for Environment, Civic Pride and Climate in consultation with the Cabinet Member for Local Environment, Green Spaces and Climate.
 - E. Note the possible impacts on the collection service that will need to be accommodated due to government plans for the potential standardisation of recycling and waste collections across England, the application of Extended Producer Responsibility (EPR) for packaging and the adoption of a Deposit Return Scheme (DRS) nationally.
 - F. Note that proposed enhancements to the specification for the street cleansing service will be reported to Cabinet for decision at a later date.
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1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

1.1. At the meeting of the 20 February 2023, Cabinet agreed, based on the Best Value Assessment and Resident Engagement findings, to a model of securing service delivery that disaggregates the street cleansing service from the waste and recycling service¹.

1.2. Cabinet also agreed that a competitive procurement offers the Best Value approach to securing a waste and recycling service, authorising the Waste and Street Cleansing Project Board to undertake further detailed work on a service specification that delivers a high quality and responsive waste service to residents².

1.3. Cabinet noted that further Cabinet decisions will be sought as necessary with regards to the various components of the proposed service specifications for the waste and recycling, and street cleansing services³.

1.4. Following these acknowledgements, and in line with section 2.32 of the 20 February Cabinet report, the Waste and Street Cleansing Project Board have prioritised the development of the specification for waste and recycling collections to ensure submission to the Greater London Authority (GLA) pursuant to its responsibilities under the Greater London Authority Act 1999.

1.5. The Council intends to publish a Prior Information Notice (PIN). The GLA will have 56 days from the date of submission to respond with any directions it deems necessary.

1.6. An extensive borough-wide consultation on residents' views on waste & street-cleaning, ran from early October to mid-November 2023 and generated a successful return-rate of around 2,500 overall responses. Based on these responses a service specification has been developed to address and respond to resident's needs, reflect our communities, react to challenges, and support the Council's environmental commitments

1.7. The purpose of this paper is to introduce the recycling and waste specification, drawing attention to the developments and improvements, as compared to the current contract specification operated through the South London Waste Partnership.

1.8. A specification for the Street Cleansing service is being developed separately to this report and will aim to improve service outcomes by enhancing the provision of services across areas where the current service does not perform adequately.

2 DETAILS

2.1. Table 1 shows the overall trend of residents' experiences of waste collection and recycling facilities since the current contract was put in place. Figures in the last column are from the most recent consultation.

Table 1 Resident Experiences of Refuse & Recycling Collections

¹ Recommendation C: Cabinet Report, Waste and Street Cleansing Commissioning: Preferred model for securing service delivery

² Recommendation D: Cabinet Report, Waste and Street Cleansing Commissioning: Preferred model for securing service delivery

³ Recommendation I: Cabinet Report, Waste and Street Cleansing Commissioning: Preferred model for securing service delivery

Service	% Satisfied 2017	% Satisfied 2019	% Satisfied 2021	% Satisfied 2022
<i>Refuse collection</i>	69%	48%	62%	63%
<i>Recycling facilities⁴</i>	71%	56%	56%	63%

2.2. As detailed in the February Cabinet Report, following a drop in 2019, resident experiences have steadily improved around waste collections & recycling as service improvements have been made.

2.3. When we asked those residents who have had a poor experience of collections what their concerns were, the top three issues were: missed collections (49%), frequency of collections (49%) and putting their bins back properly (49%).

2.4. However, it should also be noted that there is a very high level of support for residents around recycling too – 74% of residents want to recycle more, and 55% said more recycling is critical to help the local environment. Collection frequencies (of both recyclables and residual waste) are also relevant to encouraging higher recycling rates.

2.5. This feedback, along with the evidential base from our current service, has formed the basis for how to develop the specification and which elements of the current service provision to enhance for the new specification.

3 SPECIFICATION STRUCTURE

3.1. The specification for the new waste and recycling services is of strategic importance as it outlines the requirements for the contracted service provider. It serves as a benchmark for measuring their performance and ensuring that the services are aligned with the council's climate strategy, which is detailed in the documentation. A well-designed specification is crucial for achieving the desired outcome and maximising the value of the services. It defines the necessary services and enables potential suppliers to propose accurate solutions that align with the best value objectives. Furthermore, the specification is legally binding and can be used for contract management and dispute resolution.

3.2. The council is committed to fulfilling its statutory obligations for household waste collection, while also being a leader in supporting and delivering improvements to the local environment and meeting our climate change objectives.

3.3. The council aims to be net zero carbon by 2030 and as borough by 2050. Waste minimisation and increased reuse, recycling and composting, are a significant contributor to achieving this goal. The environmental benefits of recycling and reducing waste are considerable, as are the financial benefits of disposing of less waste in non-renewable processing facilities.

3.4. The service aims to become an exemplary borough in mitigating and adapting to climate change, reducing pollution, developing a low-carbon economy, consuming fewer resources, and using them more effectively. Key to these aims will be the decarbonisation of the operational fleet vehicles and this will be a key consideration when deciding the most suitable Service Provider.

⁴ Including Recycling collections, provisions at Garth Road HRRC and the Borough's on-street Neighbourhood Recycling Sites

3.5. The drafting of the specification for the new recycling and waste services has defined the needs of the service in terms of functions, outputs, and essential inputs that the potential Service Provider must deliver to achieve the services' goals. The specification also considers the council's current service and activity levels to provide insight for bidders to ensure accuracy and that new services can be designed to accommodate both current and emerging priorities.

3.6. The Specification for the new recycling and waste services is organised into several sections that outline the Council's requirements for the Service Provider.

3.7. The first section, Service Requirements, is further divided into three parts. Part 1, Waste Collection Services, outlines the outputs and essential inputs necessary to deliver the household and commercial waste collection services. This section specifies the requirements for waste collection, including the types of waste to be collected, the frequency of collections, and the current requirements for containment of materials.

3.8. Part 2 of the Service Requirements pertains to the Integrated use of Waste Sites within the scope of the Services. Waste Sites refer to Household Waste & Recycling Centres and Waste Transfer Stations within existing contracts operated through the South London Waste Partnership. This section details the use of processing destinations, as well as the direct delivery of materials to prescribed Waste Sites. It also covers the handling and sale of waste and recyclates, including food waste, garden waste, hazardous waste, and contaminated waste. In responding to developments in the marketplace and potential suppliers risk models, recyclate material sales are to be governed through outlets managed by the South London Waste Partnership.

3.9. Part 3 of the Service Requirements covers the Interface and Interaction with the Council's Services for Street Cleansing Operations. Day-to-day operations and services may have an impact on, and will require liaison with, the Council's Street Cleansing Operations. This section outlines the essential interfaces and interactions required to ensure all services are delivered to the customer through collaboration and teamwork of all suppliers and internal teams, minimising the impact of the operations of street cleansing and to ensure, as far as practical, street cleansing activities follow recycling and waste operations.

3.10. Section 2 of the Specification focuses on ICT Requirements. This section identifies the required outputs, inputs, and interfaces that the Service Provider's ICT systems must produce or accommodate to effectively work within the council's overarching network. The Council shall expect the Service Provider's ICT systems to integrate with existing systems and to meet the Council's specific requirements to enable customer access and reporting into new systems.

3.11. Section 3 of the Specification outlines the Property Requirements. This section identifies the property that the Council can make available to the Service Provider to deliver the requirements in this specification. This includes premises, vehicles, and plant and equipment. The section also outlines the basis on which the property is made available, with reference to the applicable contract schedules.

3.12. Section 4 of the Specification covers Corporate Requirements. This section identifies general requirements that the Council has on its contractors. These requirements include compliance with relevant laws and regulations, adherence to ethical business practices, and the provision of insurance and indemnity arrangements.

3.13. Finally, Section 5 of the Specification covers Communications. This section identifies the general requirements of the supplier and how to work collaboratively with

the Council's in-house communications team to support the delivery of services. Effective communication is critical to the success of the service delivery, and this section highlights the need for clear, concise, and timely communication between the Service Provider and the Council.

3.14. The specification differs from the current specification, as the new specification will not be an output-based specification. The new specification is comprised of minimum requirements that shall be delivered, and further requirements are outlined within each part of the specification as a service function.

3.15. Each function details specific service requirements that need to be maintained during the contracted period and provides the potential Service Provider with the current service activity level of the function. Background information and reference to appendices is provided, where applicable, for each function.

3.16. The additional detail and specific requirements for each function is designed to ensure that the objectives are clear and there is no ambiguity in the future performance of the functions. In providing detailed information of what is expected and the current service activity levels, potential Service Providers can ensure that suitable and adequate resources are available and detailed within proposed Service Delivery Plans.

3.17. An example of how this has been drafted is supplied below and outlines the function requirements for assisted collections.

Figure 1: Excerpt of Draft Specification Layout and Content for Assisted Collections

Reference:	HWC2
Function:	Assisted Collections – <i>Special Requirements List</i>
Service Requirement:	Service / Activity Level:
<p>1. The Service Provider shall:</p> <ul style="list-style-type: none"> A. Ensure the removal of all presented waste materials as outlined within HWC1 and HWC4. B. Ensure that collected containers are repositioned following collection to the same point from where they were presented by the resident. C. Comply with the Council's Assisted Collection Policy & Procedure. D. Maintain and update the Special Requirements List in accordance with the said Procedure as outlined in the Service Delivery Plan, providing a suitable ICT system to which the Council's Authorised Officer has real time access. <p>2. For the avoidance of doubt, the Service Provider shall not receive any additional payment for providing Assisted Collections.</p> <p>3. Assisted Collections apply to all types of Household Waste Collections, including Garden Waste.</p>	<ul style="list-style-type: none"> i. The properties, currently 1082, that receive Assisted Collections are held in the Special Requirements List. These properties are exempt from presenting containers at the Edge of Curtilage. The Service Provider is responsible for maintaining this list and providing it to the Council on request. ii. Households that receive Assisted Collections have waste and/or recyclables collected from an agreed Point of Storage which must be visible from the public Highway, where it is practical to do so. iii. The primary reasons for households receiving Assisted Collections are: <ul style="list-style-type: none"> A. The resident and all occupants of the property are unable to routinely place Household Waste at Edge of Curtilage. B. The property itself has a special requirement because Household Waste cannot be placed at Edge of Curtilage because this would prevent access to the property. iv. Service Users can apply for Assisted Collections by contacting the Council. Applicants are placed on the Special Requirements List temporarily until an Officer can determine the request. Properties which are validated for Assisted Collections will remain on the Special Requirements List for two years after which time an application for renewal is sent to the Service Users.
Background Information:	
The Council's procedure for Assisted Collections and the current list of properties is contained within Appendix E1 .	

3.18. For comparison purposes, the current specification requirement for Assisted Collections is as follows;

Figure 2: Excerpt of Current Specification Layout and Content for Assisted Collections

Assisted Collections

8.13.3 The Contractor shall undertake Assisted Collections, as directed by the Authorised Officer.

8.13.4 Further to paragraph 8.13.3, if the Contractor reasonably considers that such direction from the Authorised Officer will contravene its Health and Safety Plan, the Parties shall agree an appropriate methodology to achieve the Assisted Collection.

8.13.5 The Contractor will manage Assisted Collections in accordance with the procedure set out in Schedule 4 (Services Delivery Plan) and Schedule 6 (Reporting Requirements).

8.13.6 For the avoidance of doubt, the Contractor shall provide Assisted Collections as part of the Waste Collection Services and shall not receive any additional payment for providing such Assisted Collections

4 LEGISLATIVE CHANGES

4.1. The Government's Resources and Waste Strategy, which was released in 2018 (and due to be revised in 2023/24), outlined several intentions regarding packaging and recycling, including Recycling Consistency, mandatory separate food waste collections, Extended Producer Responsibility (EPR) for packaging to come into force in 2023, and a Deposit Return Scheme (DRS) from 2023.

4.2. Despite these intentions, there is still considerable uncertainty about their implementation. As a result, it is crucial for the Council to continue assessing the impact of these legislative changes on the specification for the future services.

4.2.1 The Deposit Return Scheme is expected to have a significant impact on the amount and quality of recycling and waste collected under the scope of the new specification.

4.3. Given the potential impact of the changes in legislation, there is a need to further explore how they will affect service delivery through proposed solutions. This is important as it could alter the current collection methodology, impacting the service delivery plans of potential bidders, and potentially placing further financial pressures on the service.

4.4. Although the specific impact of the legislative changes is not yet known, it is likely that they will affect the types and quantities of waste and recyclables being collected, the number and arrangement of the vehicles utilised for the service, the level of income from sales of recyclables and the financial impacts on the statutory service. Under the Extended Producer Responsibility requirements based on the 'polluter pays principle', it is intended that manufacturers will fund Local Authorities operations, via scheme administrators, for managing waste they produce. However, the details of how this will work have yet to be provided.

4.5. Considering the uncertainty surrounding the implementation of the Resources and Waste Strategy, it is essential for the Council to monitor and evaluate the impact of the changes on waste services. This will help to ensure that the service can adapt to any changes and continue to provide high-quality waste management services to the borough.

4.6. Officers are aware of the challenges in meeting future recycling targets set by government and the need to achieve the London Environment Strategy objectives of recycling 65% of all municipal waste by 2030.

4.7. Officers have therefore, placed focus on emphasising the importance of commercial waste services, especially for small and medium size businesses, as the smaller bagged business waste has the potential to impact the cleanliness of our streets.

4.8. Improvement in business waste management, as part of local authority collected waste, will also enable our service to improve the recycling of these materials and achieve the set objectives established in the London Environment Strategy.

4.9. There is, however, uncertainty on the potential requirement to harmonise recycling and waste services as indicated by the government. Officers have endeavoured to make provision in the specification for potential changes, and it is intended that the procurement approach will have the necessary flexibility to consider these potential requirements.

5 SPECIFICATION IMPROVEMENTS

5.1. The drafting of the new specification has been informed by the extensive consultation undertaken last autumn and reviewing the performance of the current service to determine where improvement will need to be made. The three (3) areas of most concern identified by residents within our recent survey are outlined in 2.3.

5.2. The following elements have been drafted to improve the service in these key areas through:

- increases in the collection frequency in target locations,
- the addition of new and modified services to provide easier and reliable access to services

5.3. In addition, the newly enhanced twice weekly collection of recycling and waste at our time-banded properties across the borough, has also been updated within the new requirements to ensure that the right service is provided to residents and that we design solutions that can minimise negative impacts to our street environment.

5.4. Each element has detailed requirements and a supporting performance management framework has been developed to improve the service standards delivered.

5.5. With reference to communal flats, waste will be collected at least once a week with additional collections added if there are specific locations where the bins tend to overflow. Any added collections requirements will be based on officer assessments and evidenced based, to ensure that the additional resourcing requirement is warranted. This means that people living in these flats will not have to worry about their waste bins overflowing and creating a mess in the communal areas.

5.6. For larger estates with more than 175 properties, waste will be collected twice a week to manage storage and capacity issues. This change will make it easier for people in these areas to dispose of their waste and will help keep the surrounding areas clean.

5.7. To further support recycling efforts, it is intended to expand our current high-performing food waste recycling services, by supplying residents in flats above shops locations with food waste housing units and installing them at agreed-upon locations. Therefore, making it easier for people living in these locations to recycle their food waste. These units will be serviced with a minimum weekly collection, and residents will not be provided with outside storage containers. This change will help encourage people to recycle their food waste and reduce the amount of waste going to landfill.

5.7.1 The cost for the introduction of the food waste collection service for flats above shops will be offset by the introduction of a paid-for commercial food waste recycling service as outlined in 5.10.

5.8. Finally, garden waste collection services will be provided on a zonal collection service based on Wards. This means that specific areas will have dedicated resources to collect garden waste. It is intended that two Wards will be collected per day using a dedicated resource. This change will ensure that garden waste is collected efficiently and effectively, making it easier for people to maintain their gardens without worrying about waste disposal.

5.9. Currently, the garden waste collection service has developed as membership has grown. The collection days do not align with the overall recycling and waste collection days, which can lead into inconsistency for the customer on when collections are and may cause missed collections. In addition, the annual Christmas tree removal service can be improved as outlined above, improving the customer experience and consistency of collections.

5.10. The Service Provider will also be required to provide a commercial waste collection service within the borough according to their proposed service delivery plan. They will collect commercial waste from customers and deliver it to the council's disposal and recycling facilities. To improve waste recycling, the Service Provider will offer a separate recycling and food waste commercial collection service. The Service Provider will handle all administration of the commercial waste collection service, including directing customers to make payments to the council and marketing the service.

5.11. The council's existing contracts for waste disposal will be used to dispose of the collected commercial waste. All receptacles for the provision of the commercial waste service must be approved by the council and operated by the Service Provider. The Service Provider will be responsible for benchmarking and proposing annual charges for the service. This will align with the council's budgetary process during the annual budget setting process.

5.12. The Service Provider will also gather evidence of breaches of contract in relation to the service and other offenses to support enforcement investigations or action that may be taken by the council's enforcement team.

5.13. An overview of the specific service requirements is provided in Appendix A.

6 CONTRACT GOVERNANCE

6.1. Contract management is a critical requisite to ensure the success of a contract of this size and importance. A comprehensive Partnering Governance Schedule has been developed, highlighting the framework that will be adopted to manage the contract.

6.2. This Schedule outlines the strategic and operational governance arrangements and structures that will be in place to ensure rigorous contract management and standards of the service. This includes the regularity and expected content of contractual meetings and reports.

6.3. Structure of contract management: The Service Provider will attend regular meetings and provide regular reports, the structure, frequency and expected content of which are outlined in the Partnering Governance Schedule. The Schedule also outlines the performance management framework that will be adopted to ensure that standards are maintained over the life of the contract and that robust structures are in place to address any areas of concern.

6.4. There are five (5) contract management meetings outlined within the Partnering Governance Framework:

- Service Operations Board (monthly)
- Annual Review Meeting (annually)
- Service Provider and Collaboration Board (3 times per year)
- Strategic Partnership Board (at least bi-annually)
- Strategic Environment Board (as and when required)

6.5. Each of the meetings has required attendees and is to be informed by requisite reports and minutes / actions from previous meetings.

6.6. Further detail of the meetings, frequency, reporting requirements and required attendees can be found in Appendix B.

6.7. The Performance Management Framework, as outlined in the Partnering Governance Schedule will include a suite of KPIs that cover a range of objectives that will be monitored and reviewed through the Performance Management Framework to ensure that a high standard of service is delivered and that the objectives of the contract are met. Final agreement of the KPIs will be agreed during the procurement phase between the council and the potential provider, however they will be based on industry best practice and focused on the service standards to be delivered by the Service Provider.

6.8. A Corrective Action Plan (CAP) procedure is included as part of the governance arrangements within the drafted specification. This process has been designed to address performance issues that may arise during the undertaking of the services. The trigger point to initiate this process is well defined within the performance management framework and is designed to address inadequate service delivery rather than being reliant on contract conditions or issuing service improvement notices. If triggered, the Service Provider will be required to provide an action plan to highlight how they intend to improve performance to the minimum set level (as noted in the KPIs). Progress against these plans will be reviewed and monitored during the monthly Service Operations Board meetings.

7 CONTAINERISATION

7.1. The specification has established specific requirements for the containment of waste and recyclables, detailing the size and container types to be used to facilitate collections.

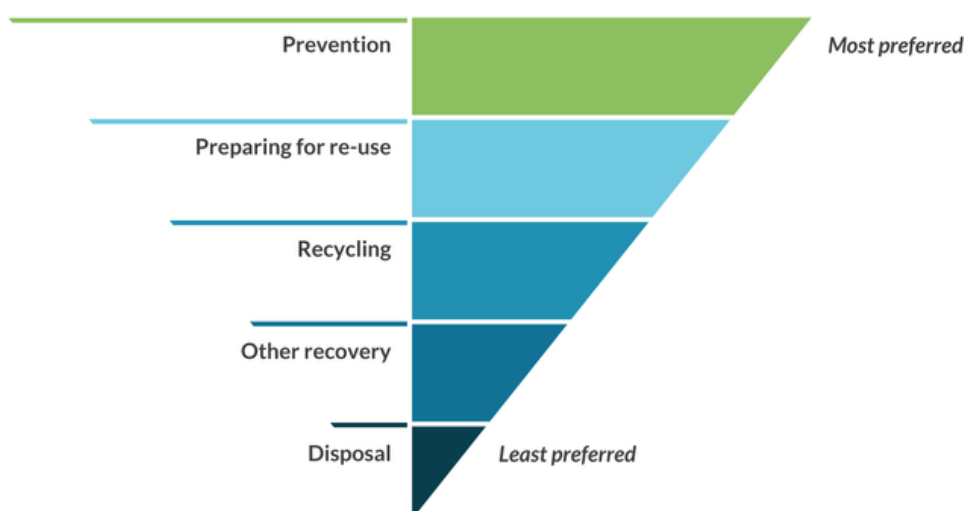
7.2. During the drafting stage, officers have reviewed potential options for using our existing containers in different ways to improve the customer experience and minimise the occurrences of recyclables being blown into the streets. This included the possible use of wheeled bins to provide a future mixed recycling collection service where all dry recycling materials are combined in one container.

7.3. The decision not to mix all recycling in one wheeled bin as part of the initial specification was made based on the Waste (England and Wales) Regulations 2011. These regulations require separate collection of paper, metal, plastic, and glass to ensure waste undergoes recovery operation in accordance with the Waste Framework Directive and is compliant when tested against the Waste Regulations route map. By mixing all recycling in one bin, this would not be an improvement in terms of the quality of the recycling collected. Unless there are further environmental mitigations that ultimately improve outcomes, officers could not recommend this option at this time and the Board agreed in this decision.

7.4. It is important to apply the waste hierarchy, as per our statutory requirements⁵ outlined above in 7.3, to each material collected and consider whether departure from the hierarchy is reasonable in the circumstances or will achieve the best overall environmental outcome. Officers intend to further address this service delivery solution at the dialogue stage of the procurement to determine if suitable efficiencies and mitigations to be compliant can be achieved.

7.5. The waste hierarchy applied to the further evaluation and decision making on determining the most favourable solutions for the containerisation, presentation and collection of recycling and waste items is shown below.

Figure 3: The Waste Hierarchy



⁵ [Waste hierarchy guidance, DEFRA 2011](#)

7.6. For residual waste, service users must secure their waste within council-issued receptacles. Most customers use wheeled bins with capacities of either 180L or 240L. Residual waste presented in wheeled bins must be secured to enable the safe collection of the waste. Residential locations without access to a curtilage storage point, primarily in the time-banded collection locations, will be asked to use standard size refuse bags to contain their waste on collections days.

7.7. For dry mixed recycling, customers use a combination of 55L kerbside boxes and wheeled bins. There are few properties that currently utilise 240L wheeled bins to store dry mixed recycling for collection and this is an area we would like to explore with potential Service Providers to determine possible improvements to the quality and quantity of recyclable material that can be gained through better containment.

7.8. For paper and card waste, customers use wheeled bins with capacities of either 180L or 240L. Single use recycling bags are to be delivered to enable recycling at time-banded properties and to households with frontages opening directly onto the public highway.

7.9. For Food waste, customers use lidded 23L bins or lidded 7L internal kitchen caddies, supplied by the council. Garden waste is collected using 240L lidded wheeled bins or 140L wheeled bins if space is limited. Garden waste sacks (25 X 75L) are also offered as an alternative service for locations where suitable private space for housing containers is not available to the customer.

7.10. Container colours include Anthracite Grey/Black for Residual Waste, Purple/Green for Dry Mixed Recyclates, Blue for Paper and Card waste, Brown for Food and Garden waste. The containers are currently embossed with the South London Waste Partnership branding. It shall be a future requirement for any new containers to be supplied through the services to have the London Borough of Merton branding.

7.11. Recycling container options can have a significant impact on the efficiency and effectiveness of collection operations. One key factor impacted by container choice is the size and type of collection vehicle required. Larger containers may require larger collection vehicles, which may increase operational efficiency. Additionally, the choice of recycling container can impact the efficiency of the collection crew.

7.12. Contamination in the recycling stream can also be impacted by the type of recycling container utilised. Containers that are not appropriate for the type of waste being collected or are difficult to use may increase the risk of contamination. Furthermore, the cost of collection operations can be impacted by the choice of recycling container. Larger containers may be more expensive to purchase and maintain but may improve the quality of the recyclables collected and minimise residual littering of our neighbourhood streets.

7.13. Due to the significant impacts that recycling and waste containers have on the operation of the service, we intend to have detailed discussion, during the dialogue phase of the procurement, with potential service suppliers on possible innovations that may be developed to improve recycling for our residents while ensuring our collection services remain technically, environmentally and economically compliant with current legislative requirements.

7.14. The final specification will include the requirement for the potential provider to detail costed options for waste & recycling container solutions. Officers will ensure that the final drafted specification is detailed and specific on the range of options that bidders shall need to consider. This will include new containment solutions for dry mixed

recycling based on both wheeled bin and boxes with affixed (i.e. hinged) lids to better contain recyclables between collections, reducing the impacts on street cleansing.

7.15. Potential suppliers will also be required to consider the suitability of any proposed container in comparison to the property types in the borough to ensure compatibility for the storage of containers by the resident.

7.16. In the interim to minimise the impact of overflowing recycling in our streets, we have added the option for residents to order recycling nets for existing kerbside boxes. Recycling nets can be fastened using the drainage holes on the container handle and after collection this functionality ensures the net remains affixed to the box.

7.17. Additionally, we have reconfirmed with our Service Provider that new recycling box orders shall be delivered with a secure box lid to secure recycling that is placed out in the containers.

8 ROUTE TO PROCUREMENT

8.1. The Competitive Procedure with Negotiation (CPN) has been suggested as the procurement process to secure the new contract because it allows for negotiation between the Council and the bidders, which can result in maximising value for money and minimising risks. Both the Council and bidders can benefit from CPN, including testing the deliverability of solutions, exploring opportunities for innovation, ensuring alignment with corporate and departmental policy and strategic goals, and building and testing client/supplier relationships.

8.2. CPN allows for negotiation on tenders to confirm financial commitments or other terms, if this does not materially modify essential aspects of the procurement. However, specific reference is made to clarification, specification, and optimisation of final tenders. CPN also allows for greater flexibility on time limits for receipt of requests to participate and receipt of initial tenders.

9 ALTERNATIVE OPTIONS

9.1. As part of the Waste and Street Cleansing Project Board work, officers have considered a range of options for the possible reconfiguration of services operated through both the street cleansing and recycling and waste collection services.

9.2. With specific reference to the services covered within this report, there were 80 alternatives options that were reviewed and considered as part of the development of the specification. Options were reviewed for effectiveness in potential service improvement, impact, practicality and affordability and the Waste and Street Cleansing Project Board determined the agreed service functions to consider within the project.

9.3. It is noted that the recycling and waste services covered within this report are heavily prescribed through legislation and are a statutory requirement. In addition, the service specification will need to be in general conformity with the London Environment Strategy. As an example of meeting these aims, the provision of food waste recycling services that are accessible to residents in flats above shops, has been adopted by the Board through this process.

9.4. In respect to alternative options to deliver these services, this was considered as part of the service delivery design decision that was decided at the Cabinet meeting on 20th February 2023.

10 CONSULTATION UNDERTAKEN OR PROPOSED

10.1. To inform the design of the new service, we undertook an extensive borough-wide consultation on residents' views on waste & street-cleaning, which ran from early October to mid-November 2023 and generated a successful return-rate of around 2,500 overall responses.

10.2. It should be noted that the telephone survey (400 responses) generally showed higher levels of satisfaction compared to the online/papers survey. This data is available in the full consultation analysis – however, we have used the combined online and paper responses as a guide for two reasons.

- Firstly, the online & paper surveys are reflective of residents' lived experience of using the service and contacting us;
- Secondly the volume on the online and printed responses is significantly higher (2,100 responses), and well above the benchmark required for a representative analysis.

10.3. A full breakdown of the results of this consultation was provided in the February Cabinet Report, with relevant feedback referred to in Table 1 of this report.

10.4. In addition to this, the Waste and Street Cleansing Project Board is made up of key senior officers from across the Council and jointly chaired by the Cabinet Member for Local Environment, Green Spaces and Climate and the Interim Executive Director for Environment, Civic Pride and Climate. The Board assesses and approves project activity in alignment with Merton Council's strategy for waste collection and street cleaning.

11 TIMETABLE

11.1. The Greater London Authority (GLA), under the Greater London Authority Act 1999, has a responsibility to issue directions to London Boroughs in relation to waste management procurement.

11.2. Therefore, there is a requirement for the service specification to be reviewed by the Greater London Authority (GLA) pursuant to its responsibilities under the Act.

11.3. Table 2 highlights the key milestones and dates for the development of the specification and associated procurement process. Cabinet is requested to note the impact that the submission of the specification to the GLA has on the procurement timeline.

Table 2: Timetable for Specification Development and Procurement

Event	Date
Specification Complete	May 2023
Submission of Final Specification to the GLA for Review	June 2023
GLA review (56 days)	June 2023 to July 2023

Publish Prior Information Notice (PIN) - The PIN cannot be published until either the GLA responds with directions or the 56 days elapses	June 2023 to August 2023
Governance and Procurement process	August 2023 – March 2024

12 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

12.1. Please see **Exempt Appendix C** for the Financial, Resource and Property Implications.

13 LEGAL AND STATUTORY IMPLICATIONS

13.1. Best Value Assessments and Resident Engagement have been undertaken and taken into account in accordance with the Council's Best Value Duty.

13.2. There are no legal implications arising from the contents of this report.

14 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

14.1. There are no material equalities implications resulting from the recommendation(s) of this report.

15 CRIME AND DISORDER IMPLICATIONS

15.1. There are no material crime and disorder implications resulting from the recommendation(s) of this report.

16 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

16.1. The Board established a Risk Log at the outset of the project and this Risk Log is reviewed at every Board meeting. This ensures both that new risks are identified and added to the Risk Log in a timely fashion so that control measures can be developed. It also helps ensure responsive action to introduce mitigations where risk levels are identified to be increasing.

16.2. Costs could well be even higher than those currently modelled with changes in pay rates along with inflationary impacts on fuel costs as well as other cost of living factors.

16.3. The cost of delivering these services in line with any required enhancements to the minimum requirements will increase for the reasons set out in the report. Officers will continue to review service design, technology, and other market opportunities in order to minimise this increase wherever possible.

17 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- Appendix A - Specification overview of Service Requirements

- Appendix B – Governance arrangement to be applied to the new service
- Appendix C - EXEMPT

18 BACKGROUND PAPERS

18.1. [Waste and Street Cleansing Commissioning: Preferred model](#)

Appendix A – Specification overview of Service Requirements

Table 1. Waste collection

	Residual Waste Collections			
	Residual - Kerbside Collections 'standard'	Residual - Flats above shops	Residual - Communal	Residual - Container Procurement, Delivery, repair and maintenance
Specification Service Requirement	Alternate weekly collection from wheeled bin, collected from curtilage of property	Twice weekly time banded collections (evening economy) - New service from 2023 and written into 2025 specification	Weekly collection from Euro-type containers & wheeled bins centrally located (bin storage area for flats) Minimum weekly collection with additional collections per identified location(s) to ensure bins do not overflow AND provide 2x weekly collections to all large estates identified by the service to manage capacity and storage issues. Large estate is >175 properties per estate - Improved service frequency	Containers procured by Service Provider, delivered within 10 working days free of charge to residents - all costs within core service payment

Table 2. Recycling collections

	Dry Mixed Recycling (DMR) Collections			
	DMR Recycling - Kerbside Collections 'standard'	DMR Recycling - Flats above shops	DMR Recycling - Communal	DMR Recycling - Container Procurement, Delivery, repair and maintenance
Specification Service Requirement	Alternate weekly collection from 55 litre boxes with lids collected from curtilage of property	Fully comingled twice weekly time banded collections (evening economy)	Weekly collection from Euro-type containers & wheeled bins centrally located (bin storage area for flats) - Minimum collection with additional collections per identified location(s) to ensure bins do not overflow - Improved service frequency	Containers procured by Service Provider, delivered within 10 working days free of charge to residents - all costs within core service payment

Paper and Card Recycling Collections			
Paper and Card Recycling - Kerbside Collections 'standard'	Paper and Card Recycling - Flats above shops	Paper and Card Recycling - Communal	Paper and Card Recycling - Container Procurement, Delivery, repair and maintenance

Specification Service Requirement	Alternate weekly collection from wheeled bin, collected from curtilage of property	Service provision within DMR collection	Service provision within DMR collection	Containers procured by Service Provider, delivered within 10 working days free of charge to residents - all costs within core service payment
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Food waste collections				
	Food - Kerbside Collections 'standard'	Food - Flats above shops	Food - Communal	Food - Container Delivery, repair and maintenance
Specification Service Requirement	Weekly collection of 23L container from curtilage	Food waste housing units to be installed on street at agreed location points, serviced at a minimum weekly collection- no outside storage container for residents provided - New Service for 2025	Weekly collection from the point of storage and within housing units (as applicable)	Containers procured by Service Provider, delivered within 10 working days free of charge to residents - all costs within core service payment

Table 3. **Green waste services**

	Green waste collections		Seasonal Green Waste
	Green - Kerbside Collections 'standard'	Container Delivery, repair and maintenance	Provision for the collection of seasonal Christmas trees
Specification Service Requirement	Alternate weekly chargeable collection using 240 litre wheeled bins or compostable paper based single used sacks	Containers procured by Service Provider, delivered within 10 working days free of charge to residents - all costs within core service payment	Scheduled collection of real Christmas trees collected from kerbside properties within the curtilage over agreed two-week period commencing on an agreed date following 12th night. Following the 12th night or annually pre-determined date, to provide a zonal collection service based on Wards with two (2) Wards collected per operational day using a dedicated resource - Garden waste service suspended during this period. - Dedicated resources and collection day for each Ward – New provision for 2025

Table 4. **Commercial services**

Commercial Collection/Disposal		
Commercial Residual	Commercial Recycling	Commercial Food

Specification Service Requirement	Service Provider administers and delivers a collection Service based on varying frequencies as determined with the customer. Service costs include the disposal of any collected waste and full financial management including fees and charges processing	Service Provider administers and delivers a collection Service based on varying frequencies as determined with the customer. Service costs include the disposal of any collected waste and full financial management including fees and charges processing	Service Provider administers and delivers a collection Service based on varying frequencies as determined with the customer. Service costs include the disposal of any collected waste and full financial management including fees and charges processing Pricing up the minimum requirement New service for 2025 and income will offset development of food waste collections for flats above shops
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Table 5. **Additional material services**

	Clinical Healthcare Waste		Household Hazardous Waste
	Clinical Sharps	Clinical SANPRO	Domestic waste comprised of hazardous elements
Specification Service Requirement	Free sharps collected as requested, booked by Contact Centre (container provided by healthcare facility)	Free SANPRO waste collected from weekly sack collection	Residents self-fulfil through City of London provision. Service based on full cost recovery model

Subject: Waste and Street Cleansing Commissioning: Specification for Recycling & Waste Service Procurement

Appendix B: Governance Model

Partnering Governance and Monitoring Procedure

Meetings, attendees and reporting requirements

	PG03	PG04	PG05	PG02	PG01
	Service Operations Board	Annual Review Meeting	Service Provider Collaboration Board	Strategic Partnership Board	Strategic Environment Board
	Monthly	Annually	3 Times Per year	At Least Bi-Annually	As & When Required
	<p>Report(s): Monthly Report by Service Provider, to include:</p> <ul style="list-style-type: none"> Progress of mobilisation Performance against specification and KPIs Emergency (or out of hours) call outs received Incident / accident statistics including near misses Staffing issues Social Value delivery Invoices issued including any agreed deductions Change requests and progress on changes Progress of any projects 	<p>Report(s): Annual Report by Service Provider to include:</p> <ul style="list-style-type: none"> Annual summary of the monthly reports, and any updates Performance against specification and KPIs Annual benchmarking Service improvements and proposals for future development A review of Service Provider's insurance, performance bond and parent company guarantee Annual Indexation Adjustment 	<p>Report(s): Agenda and minutes of meeting. Action / Improvement Plans to support required outcomes.</p> <ul style="list-style-type: none"> The Board shall be empowered to make recommendations to relevant individuals for decision and action, where authority is required 	<p>Report(s): Written updates from the Service Operations Board to include:</p> <ul style="list-style-type: none"> Activities relating to objectives and priorities of the Strategic Partnership Board Identification of areas for potential development Progress on projects Performance reports Social Value reporting Annual Report Annual review of service finances, including savings proposals Any dispute escalation issues 	<p>Report(s): Agenda and minutes of meeting. Action / Improvement Plans to support support the delivery of service enhancements, improvements or developments.</p> <ul style="list-style-type: none"> This Strategic Board shall meet as required throughout the term of this Agreement to consider collaborative projects for the Council's environmental service.
	<p>Attendees: Council Authorised Officer & Heads of Service and Service Provider Contract Director(s) and Manager(s)</p>	<p>Attendees: Council Authorised Officer & Heads of Service and Service Provider Contract Director(s) and Manager(s)</p>	<p>Attendees: Council Authorised Officer & Head of Service, Council Services Managers and Service Provider Contract Manager(s)</p>	<p>Attendees: Council Executive Director, Senior Officers and Service Provider Contract Director(s) and Manager(s)</p>	<p>Attendees: The Council and two (2) or more Council's services (I.e., Street Cleansing Operations) and Agents (which may include the Service Provider)</p>

Committee: Cabinet

Date: 17th May 2023

Wards: All

Subject: Award of Security and support services contract

Lead officer: Louise Round, Managing Director South London Legal Partnership

Lead member: Councillor Billy Christie – Cabinet Member for Finance & Corporate Services

Contact officer: Nigel Emberton – Senior Facilities Manager

Exempt or confidential report

The following paragraph of Part 4b Section 10 of the constitution applies in respect of information within the appendices and they are therefore exempt from publication:

Information relating to the financial or business affairs of any particular person (including the Authority holding that information).

Members and officers are advised not to disclose the contents of the Exempt appendices.

Recommendations:

1. To award a new contract to Bidder C for the provision of security and support services covering Merton's Civic centre, Libraries, Vestry Hall and Canon's Old House together with mobile and ad hoc security services to other corporate buildings and Leisure services events for a period of three years (3) with a potential extension of up to 12 months. The contract value is set out in Exempt Appendix.
 2. To delegate the decision to award an extension of the awarded contract to the Executive Director of Innovation & Change in consultation with the Cabinet Member, for any period up to 12 months (1 year) in accordance with CSO 27.
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1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. The purpose of this report is to detail the process that was used to procure a new contract for the provision of Security and support services at Merton Civic Centre, Libraries and a range of other corporate building and operational functions and to recommend that Cabinet approves the award of the contracts to the successful bidder contained within the Exempt Appendix B.
- 1.2. The tender process involved contractors bidding to provide the Security and Support services following an evaluation exercise in line with CSOs and the Public Contract Regulations 2015.
- 1.3. One (1) service provider is recommended to be appointed. Due to the commercial sensitivity the details of assessment results have been circulated as a confidential Appendix to this report.
- 1.4. The recommended service provider offered the best overall value for money and quality in the procurement process.

2 DETAILS

- 2.1. This report outlines the key features and benefits of this recommendation and the impact that this will have on overall impacts on service quality, cost control and value for money.
- 2.2. The contract is for provision of security and support services to the London Borough of Merton including Merton Civic Centre, Libraries, Vestry Hall and Canons Old House, together with the provision of static guarding and associated services in other locations. Other security services required to be delivered include keyholding, mobile response security, event security for a number of departments on an ad hoc basis.
- 2.3. A key benefit of the new contract is that it provides an extended scope and now includes a number of other buildings where small individual contracts have been in place. In addition, the contract now also provides the facility to provide Event security for ad hoc events such as Fire Work displays and 24 Hours security provision at the Merton Civic Centre.
- 2.4. The successful bidder will provide a team of Security Industry Authority (SIA) qualified security officers including one Supervisor (Merton Civic Centre) to deliver a range of security and additional services to the London Borough of Merton.
- 2.5. TUPE regulations apply to this contract; therefore, a number of existing security staff may transfer to the successful bidder.
- 2.6. All bidders submitted their tenders based on paying the London Living Wage as required by London Borough of Merton as a Living Wage accredited employer.
- 2.7. The total annual value of the contract, and estimated total value of the contract is shown in Exempt Appendix A.

3 PROCUREMENT

- 3.1. The procurement was undertaken via the ESPO 347 framework, following a review of two other frameworks to determine which most suited Merton's needs.
- 3.2. The Invitation to Tender (ITT) was published on 17 November 22, with a submission deadline of 12 Noon 16 December 2022.
- 3.3. A total of Six (6) submissions were received and the evaluation of the bids was carried out in line with the methodology set out in the ITT.
- 3.4. Tenderers were required to answer a set of method statement questions to assess the quality of their bid, along with a completed price list.
- 3.5. The tender evaluation comprised of three stages: the first of which was a tender compliance check, on a pass/fail basis; the second was a quality and technical evaluation in line with the methodology prescribed in the tender and the third was the assessment of price in line with the methodology prescribed in the tender.
- 3.6. The bids were evaluated by a panel of four stakeholders. Each stakeholder assessing each bid individually using a quality, price, social value split of the following:
 - Price 50%

- Quality 40%
- Social Value 10%

- 3.7. A moderation meeting was held on 10th January 2023 to discuss the individual scores and comments for each question to arrive at an agreed moderated score.
- 3.8. Names of the bidders and their respective scores is included in Exempt Appendix B.
- 3.9. The bids were evaluated against the following eight (8) method statement questions to assess the quality of each bidder:

Sub criteria	Method statement	Weighting
Relevant experience and contract examples	Demonstrate with suitable detailed evidence, the experience that you have successfully provided a long-term partnership for the services specified in this tender. Demonstrate evidence of Sub lot A and B services and the Additional associated services required within this tender specification.	10%
Understanding of brief	Explain your understanding of the type of service you would be required to supply for the smooth running of all aspects of the Merton security and support services contract.	6%
Similar contracts delivered	Please provide a detailed answer of previous similar contracts covered, demonstrating your commitment to Health and Safety with Duty of Care responsibilities, and investing in your site staff's competence to deliver for Merton.	6%
Delivery plan	Please provide a detailed method statement clearly outlining how each stage of the Security Services Contract will be delivered in accordance with the Council's specification.	5%
Methodology	Demonstrate with suitably detailed evidence how you will accurately monitor and report the delivery of all aspects of the service.	5%
Timetable	Please provide a detailed Mobilisation Plan detailing each activity and timescale for mobilisation for taking on the contract.	4%
Engagement	Demonstrate with suitably detailed evidence the quality standards that will be achieved and how they will be maintained through the life of the contract.	4%
Social Value	In this section, bidders should set out any proposals of social value that can be generated/offered through the delivery of Environmental Enforcement. Bidders should complete the LBM Social Value Charter (LBM Social Value Charter v2.1) to indicate the social value to be committed through the Contract delivery. Describe how the bidder intends to deliver this aspect.	10%

- 3.10. Bidders completed a pricing sheet as part of their tender return. The pricing sheet indicated the expected volumes in numbers of hours per annum for a range of corporate sites including Libraries and Merton Civic Centre for bidders to populate with their hourly rate. Rates based on paying all their relevant

employees the London Living Wage in accordance with Merton’s requirements as a Living Wage accredited employer.

- 3.11. The pricing sheet also required bidders to insert their rates for provision of other services such as Keyholding and Mobile response charges.
- 3.12. Following the process, one provider was successful for recommendation for contract award (as shown in Exempt Appendix B).
- 3.13. The Contract documents for the Security and Support services contract specify the specific performance standards the successful supplier will be expected to adhere to.
- 3.14. The contract serves several different stakeholder departments, and each has their own requirements and Key Performance Indicators (KPI’s).

4 ALTERNATIVE OPTIONS

- 4.1. An alternative option to extend the existing contract at the end of March 2023 for one period of 12 months was considered and found not to be suitable for the following reasons:
- 4.2. The existing contract does not pay the London Living Wage.
- 4.3. Merton Civic Centre does not currently have 24 hour onsite security provision.
- 4.4. The current contract does not include Canons Old House or Vestry Hall.
- 4.5. The current contract does not cater for Leisure Event security provision.

5 CONSULTATION UNDERTAKEN OR PROPOSED

- 5.1. The approach for this procurement was discussed and approved by Operational Procurement Group (OPG) on 7 July 2022.
- 5.2. The approach was approved by Procurement Board on 16 August 2022.
- 5.3. Stakeholder departments were involved in the drafting of the specification of requirements and in the evaluation of the tender bids.

6 TIMETABLE

Event	Date
Evaluation of tenders	16 December 2022 – 10 January 2023
Departmental Procurement Group	6 April 2023
Procurement Board	18 April 2023
Leaders Strategy Group	3 May 2023
Cabinet	17 May 2023

Call-in period	18 May 2023 - 24 May 2023
Notification of contract award decision	25 May 2023
"Standstill" period	26 May 2023 – 5 June 2023
Confirm award of contract	8 June 2023
Contract commencement date	8 September 2023

- 6.1. Bidders provided a mobilisation plan at tender stage, and this will be finalised and implemented during the mobilisation period, immediately after the contract is awarded so that systems and procedures are in place for 8 September 2023.

7 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 7.1. The enhanced contract and service provision will require an additional level of revenue growth for the Security Services budget from 2023/24 onwards.
- 7.2. Most of the costs will be recharged to other departments. However, the Merton Civic Centre element of costs will require approximately £68,000 per annum additional funding in 23/24 and £99,000 in 24/25 to be covered by the London Living Wage contingency.
- 7.3. A credit check was carried out and the recommended contract value is £6,000,000. The recommended total value of contracts for this supplier is £6,000,000.

8 LEGAL AND STATUTORY IMPLICATIONS

- 8.1. The details of the further competition under the ESPO framework agreement 347_22 (Lot 9A) (**the Framework**) set out in this report and related Exempt Appendix evidence full compliance with the procedure established in the Framework for calling off services, and therefore meets the requirements of Regulation 33 of the Public Contracts Regulations 2015 and the Council's Contract Standing Orders (CSOs) 12.4.1. Accordingly, it would be lawful to approve the recommended contract award to the Preferred Bidder.
- 8.2. It is noted that TUPE (Transfer of Undertakings (Protection of Employment) Regulations 2006 is applicable therefore officers should consult with the Council's HR Department and/or SLLP's Employment Team as appropriate to ensure that the Council discharges any obligations it may have with respect to transferring staff.
- 8.3. Once awarded, a Contract Award Notice is required to be published, and information about the award of the Contract must also be published on Contracts Finder. The completed contract must be entered in the Council's contracts register.
- 8.4. Section 9E of the Local Government Act 2000 permits the recommended delegation. In approving the extension, responsible officers must be able to demonstrate that it will offer Value for Money to the Council and that the contract will continue to meet the Council's requirement.

9 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 9.1. Within the tender, bidders were required to propose social value offers via the Councils Social Value charter, under 4 specific theme areas: Economy; Social; Environmental, and Innovation. The social value offers submitted via the successful bidder will potentially generate social value to the London Borough of Merton. The value of which can be found within Exempt Appendix C, along with the social criteria breakdown.

10 CRIME AND DISORDER IMPLICATIONS

The benefit of the new service is that Merton Civic Centre will have security cover 24 hours a day, 7 days a week to support the colleagues and building users working outside of normal working hours. The new contract provides a single supplier for Security provision to a wider range of stakeholders in a more locations e.g., canons Old House and Vestry Hall.

11 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 11.1. The provision of suitably qualified Security Staff is key to ensuring a first line of response to any security or fire related incident in our public facing corporate buildings and organised event spaces.
- 11.2. Competent security staff are vital to service provision within Libraries and other public building particularly outside of normal working hours.
- 11.3. Merton has a duty of care to its visitors and security provision is part of meeting that duty of care.

12 ENVIRONMENTAL AND CLIMATE IMPLICATIONS

- 12.1. N/A

13 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- Appendix A: Contractors Pricing Submissions
- Appendix B: Results of Tender
- Appendix C: Social Value

14 BACKGROUND PAPERS

- 14.1. N/A