



Haverling

LONDON BOROUGH

OVERVIEW & SCRUTINY BOARD AGENDA

7.30 pm

**Tuesday
3 August 2021**

**Council Chamber,
Town Hall**

Members 16: Quorum 6

COUNCILLORS:

**Conservative Group
(8)**

Ray Best
Philippa Crowder
Judith Holt
Sally Miller
Nisha Patel
Christine Smith
Maggie Themistocli
Michael White (Vice-Chair)

**Residents' Group
(2)**

Ray Morgon
Barry Mugglestone

**Upminster & Cranham
Residents' Group(2)**

Linda Hawthorn
Christopher Wilkins

**Independent Residents'
Group
(2)**

Natasha Summers
Graham Williamson

**Labour Group
(1)**

Keith Darvill

**North Haverling
Residents Group(1)**

Darren Wise (Chairman)

**For information about the meeting please contact:
Anthony Clements 01708 433065
richard.cursons@oneSource.co.uk**

Overview & Scrutiny Board, 3 August 2021

Protocol for members of the public wishing to report on meetings of the London Borough of Havering

Members of the public are entitled to report on meetings of Council, Committees and Cabinet, except in circumstances where the public have been excluded as permitted by law.

Reporting means:-

- filming, photographing or making an audio recording of the proceedings of the meeting;
- using any other means for enabling persons not present to see or hear proceedings at a meeting as it takes place or later; or
- reporting or providing commentary on proceedings at a meeting, orally or in writing, so that the report or commentary is available as the meeting takes place or later if the person is not present.

Anyone present at a meeting as it takes place is not permitted to carry out an oral commentary or report. This is to prevent the business of the meeting being disrupted.

Anyone attending a meeting is asked to advise Democratic Services staff on 01708 433076 that they wish to report on the meeting and how they wish to do so. This is to enable employees to guide anyone choosing to report on proceedings to an appropriate place from which to be able to report effectively.

Members of the public are asked to remain seated throughout the meeting as standing up and walking around could distract from the business in hand.

OVERVIEW AND SCRUTINY BOARD

Under the Localism Act 2011 (s. 9F) each local authority is required by law to establish an overview and scrutiny function to support and scrutinise the Council's executive arrangements.

The Overview and Scrutiny Board acts as a vehicle by which the effectiveness of scrutiny is monitored and where work undertaken by themed sub-committees can be coordinated to avoid duplication and to ensure that areas of priority are being reviewed. The Board also scrutinises general management matters relating to the Council and further details are given in the terms of reference below. The Overview and Scrutiny Board has oversight of performance information submitted to the Council's executive and also leads on scrutiny of the Council budget and associated information. All requisitions or 'call-ins' of executive decisions are dealt with by the Board.

The Board is politically balanced and includes among its membership the Chairmen of the six themed Overview and Scrutiny Sub-Committees.

Terms of Reference:

The areas scrutinised by the Board are:

- Strategy and commissioning
- Partnerships with Business
- Customer access
- E-government and ICT
- Finance (although each committee is responsible for budget processes that affect its area of oversight)
- Human resources
- Asset Management
- Property resources
- Facilities Management
- Communications
- Democratic Services
- Social inclusion
- Councillor Call for Action
-

DECLARING INTERESTS FLOWCHART – QUESTIONS TO ASK YOURSELF



AGENDA ITEMS

1 CHAIRMAN'S ANNOUNCEMENTS

The Chairman will announce details of the arrangements in case of fire or other events that might require the meeting room or building's evacuation.

2 APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS

(if any) - receive.

3 DISCLOSURE OF INTERESTS

Members are invited to disclose any interest in any of the items on the agenda at this point of the meeting.

Members may still disclose any interest in an item at any time prior to the consideration of the matter.

4 EXCLUSION OF THE PUBLIC

The report included in agenda item 5 contains exempt documents, namely Appendices 1 to 4 inclusive as well as the second part of the response to the requisition grounds. Cabinet will consider whether the public and press should be excluded from the meeting on the grounds that it is likely that, in view of the nature of the business to be transacted or the nature of the proceedings, if members of the public were present during that item there would be disclosure to them of exempt information within the meaning of paragraph 3 of Schedule 12A to the Local Government Act 1972; and, if it is decided to exclude the public and press on those grounds, Discussion of public papers can be transacted in public. The Board to resolve accordingly on the motion of the Chairman in relation to any discussion on exempt matters.

5 REQUISITION OF A CABINET DECISION - PUBLIC REALM TRANSFORMATION - NEW OPERATING MODEL (Pages 1 - 98)

Report attached including requisition grounds and response from officers.

Andrew Beesley
Head of Democratic Services

Overview & Scrutiny Board

3 August 2021

REPORT

Subject Heading:

Call-in of an Executive Decision – Public Realm Transformation – New Operating Model

SLT Lead:

Alison McKane – Interim Monitoring Officer

Report Author and contact details:

Anthony Clements Principal Democratic Services Officer
anthony.clements@onesource.co.uk

Policy context:

The report deals with a statutory process.

Financial summary:

There is no significant financial impact from the statutory processes as these are being met by existing budgets.

The subject matter of this report deals with the following Council Objectives

Communities making Havering
Places making Havering
Opportunities making Havering
Connections making Havering

SUMMARY

In accordance with paragraph 17 of the Overview & Scrutiny Committee Rules, a requisition signed by six Members representing more than one Group (Councillors Gillian Ford, Linda Hawthorn, Ray Morgon, Barry Mugglestone, Chris Wilkins and Graham Williamson) have called-in the Key Executive (Cabinet) Decision dated 7 July 2021.

RECOMMENDATION

That the Board considers the requisition of the Key Executive (Cabinet) Decision and determines whether to uphold it.

REPORT DETAIL

As per Appendices

- Grounds for requisition and response by Council officers
- Cabinet report
- Cabinet decision notice

From: [CouncillorRay Morgon](#)
To: [Anthony Clements](#)
Cc: [CouncillorBarry Mugglestone](#); [CouncillorGraham Williamson](#); [CouncillorNatasha Summers](#); [CouncillorLinda Hawthorn](#); [CouncillorChristopher Wilkins](#)
Subject: FW: Public Realm Transformation Call In
Date: 13 July 2021 14:28:48

Hi Anthony,

In accordance with the Council's Constitution and paragraph 17 of the Overview and Scrutiny Committee rules, a requisition signed by the members listed above is submitted to requisition for further scrutiny the decision made by Cabinet at its meeting on 7th July 2021 on the following grounds.

1. There is a lack of data, evidence and analysis on why the option of having an integrated public realm service carried out in-house by a Local Authority Company was dismissed.
2. Given the shrinking number of private sector operators and acknowledged market congestion, the cost of the integrated service may exceed what would be deemed Value for Money cost. There is a lack of detail on any Plan B.
3. There is a lack of detail on the specifications of the Contract and the practical operational workings of the contract.
4. There is no detail on how each London Borough provides its waste, street cleaning and weed control contract.
5. There is no detailed risk analysis in having the proposed service outsourced.
6. No evidence has been provided on the desired service standards and that an outsourced contract will improve performance.
7. There is no detail on how the Contract will provide for future changes to the waste collection service arising out of Government legislation.
8. There is no detail on the criteria that will be used to assess the bidders.
9. There are no details on the proposed KPI's to assess performance in terms of quality and timing of service and whether payment will be linked to performance.
10. There is no detail of how IT systems will be collecting performance data and who will be self-monitoring performance.
11. There is no detail on the proposed IT system to ensure common data systems, procedures and processes.
12. There is no detail of the due diligence that the Council will undertake to assess each potential bidder.
13. There is a lack of detail on how the £10 million value of the contract was arrived at. What are the current costs to the Council?
14. There is a lack of detail on the potential availability of a Depot to a potential bidders.
15. There is a lack of full financial costs, overheads and savings arising from the integration contract including plant and equipment, staff costs including

redundancy.

16. There is no detail on the normal profit margin on these kind of contracts
17. There is a lack of detail on what data and information will be supplied to potential bidders.
18. There is a lack of detail on the governance arrangements between the Council and successful bidder, particularly around later possible variations of the contract.
19. There is a lack of detail on how many household collections are being completed per day and the projections of increased volumes of waste due to increased housing developments and continued home working in full or in part during the life of the contract and how any increase will be accommodated in the contract.
20. There is a lack of detail in how the replacement of any equipment will be catered during the life of the contract.

Regards

Ray

Report to Overview & Scrutiny Board
Public Realm Transformation – New Operating Model
Questions & Responses
3rd August 2021

1. There is a lack of data, evidence and analysis on why the option of having an integrated public realm service carried out in-house by a Local Authority Company was dismissed.

Both an in-house and a LAC service were considered and dismissed. For the integrated public realm services contract that started in 2019/20 stopped, as agreed by Cabinet in September 2020 due to the Covid-19 pandemic, extensive research had been undertaken and a costed business case produced. This business case considered options for the delivery of integrated public services. Modelling showed that, when the set up costs for the formation of the Local Authority Company (LAC) was included in the costs, the LAC model was more expensive than the outsourcing model. The LAC model was also rejected at the time as the Council had little experience to set up the LAC for these services, lacked the skills to directly manage the refuse service and all the financial risks would be retained by the Council and not shared with a contractor. Also, the LAC model did not enable the Council to draw upon the experiences and different approaches to delivering these services that suppliers have gained from across the country and beyond to achieve the best outcomes for the Council. This, as agreed by Cabinet in September 2019, led to the conclusions that the LAC was not the best model to adopt. Although there are fewer services in scope for the integrated recycling & waste collection and street cleansing contract, the circumstances that led to that conclusion have not changed.

More detail about costs that are commercially sensitive are outlined in the Exempt element of this report.

2. Given the shrinking number of private sector operators and acknowledged market congestion, the cost of the integrated service may exceed what would be deemed Value for Money cost. There is a lack of detail on any Plan B.

If the procurement exercise proved not to be value for money, the Council has a least three options that it could consider. These are outlined in the Exempt element of this report.

3. There is a lack of detail on the specifications of the Contract and the practical operational workings of the contract.

The Cabinet report which has been called in was for approval to tender and not the award of a contract. Furthermore, as we are following a competitive dialogue process the specification will not be finalised until the process is complete. The specification is for waste and recycling collection from all dwellings in Havering, and street cleansing to the public highway and public places. Contained within the specification is weed control too. As competitive dialogue is the procurement route chosen, all contract documents, including the specification, remain in draft until agreed in the final stages of procurement.

The contract will specify for all elements of cleansing, including litterbin emptying, fly tip, graffiti and flyposting removal, etc. and waste and recycling collections from households. Minimum standards have been outlined in the specification and, during the procurement stages, dialogue will consider improvement to these requirements, and these will be specified in the final contract. The contract will also seek prices for different method collections, such as a separate weekly food collection, to comply with any new legislation that may be introduced during the life of the contract.

The Council specifying an 'outcome-based' contract, outlining to bidders the minimum service standards that must be met without defining the methods of delivery needed to achieve these outcomes. This allows bidders greater flexibility to decide how and when to deliver the services and encourages innovation and keenly priced bids.

4. There is no detail on how each London Borough provides its waste, street cleansing and weed control contract.

This was not a key factor in deciding the most appropriate procurement route and operating model. However, the most common service delivery model in London is to outsource waste collection and street cleansing in one integrated contract, with the second most common being delivery by in-house services (DSO). Waste collections and street cleansing by delivery model for the London Boroughs are:

- Contactor 18
- LAC & DSO 1
- LAC 2
- DSO 11
- Contactor & DSO 1 (Havering)

Although the exact number of London councils outsourcing weed control is not known, as this a specialist function, it is understood the majority of Local Authorities either directly outsource weed control for highways or include it in their street cleansing contracts.

5. There is no detailed risk analysis in having the proposed service outsourced.

All risks were considered in the Cabinet reports, please refer to the 2019 and 2021 Cabinet reports.

Waste collection services are already outsourced and, regardless of the procurement model adopted, would need to be retendered once the contract expires (July 2023). Market testing strongly indicates that tendering a standalone waste contract will not attract bidders as there are other more attractive opportunities for suppliers to consider being procured at a similar time. To be successful, Havering's contract must be attractive to compete with these other supplier opportunities. The market indicates that Havering's procurement opportunity will be better contested if the contract included other services too, i.e. street cleansing. Havering's weak position is further compounded by other issues too (as outlined in the exempt element of this report). The market did not favour a waste contract combined with grounds and tree maintenance, and if it was included, many may subcontract the services to another supplier.

There is the potential that additional recycling collection services may be required during the life of the contract, as outlined in the Government's consultation paper 'national waste policy' that may increase costs. The outcome of this consultation is not currently known but, as the national waste policy should be published later this year, the Council will have a clearer indication of the recycling requirements during dialogue sessions with bidders and these requirements can be included in the specification. A matrix will be developed in the summer of 2022 detailing costs.

If outsourced, there will be street cleansing vehicles that are surplus to requirement. These vehicles are internally leased from workshops. Some vehicles have shorter leases than others, with almost all leases ending before the new Contract starts. All vehicles will be disposed of through auction. The vehicles auctioned may not clear the lease balance, and the service's budget will be put under pressure. An estimate will be made on the auction value of the vehicles nearer to the time of award, and included in a cost matrix in the report outlining award in the summer of 2022.

The Council has a legal obligation to ensure due diligence and appropriate consultation for the Council's staff that are to be transferred through the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE). Officers will develop a detailed mobilisation plan which will include the transfer of its staff and staff of 3rd party contractors (where applicable) at the end of their contracts to the newly procured contractor post contract award. For staff that work directly for Havering Council who are subject to transfer, their pension arrangements have been considered and the new contractor may seek either admission to the Havering pension fund or alternatively will be required to provide a broadly comparable fund under the pension's regulations. Pension risks are outlined further in the exempt element of this report.

The waste and recycling collection services, trunk road cleansing and weed control services are already outsourced. The Council has limited responsibilities with the regard to the TUPE process for these staff but, as it is in the Council's best interest to ensure that this progresses smoothly, will endeavour a smooth transition (if an incumbent is not awarded the contract) from one provider to another.

6. No evidence has been provided on the desired service standards and that an outsourced contract will improve performance.

The Council is to specify an 'outcome-based' contract, outlining to bidders the minimum service standards that must be met without defining the methods of delivery needed to achieve these outcomes. This allows bidders greater flexibility to decide how and when to deliver the services and encourages keenly priced innovation.

The information provided in the service specification seeks to provide for at least an 'as is' service; i.e. the current standards are to be maintained or improved. The significant difference is where possible, an outcome is required for the contractor to deliver; the council will not be prescriptive about the way that services are delivered. Therefore, for example, the specifications requires waste to continue to be collected weekly but seeks for streets to be kept clean to a specified standard rather than the Council specifying the frequency of the service.

Competitive Dialogue will enable significant flexibility as the Council can, in dialogue with the bidders, continue with the process until it is satisfied that a solution (or solutions) is available within the Council's budget that is capable of meeting the Council's needs has been identified. The integration of the waste collection services and street cleansing functions will remove demarcation inefficiencies about who is responsible for litter and spillages in the street scene, leading to cleaner streets. This model is adopted in other local authorities as outlined in question 4 above and outlined in the exempt element of this report.

7. There is no detail on how the Contract will provide for future changes to the waste collection service arising out of Government legislation.

The changes brought about by the changes in legislation through the National Waste Policy are not known yet. The Council hopes that these will be known towards the end of the year. The contract will seek prices to deliver services as they are currently delivered but will also seek prices for separate recycling methods, including food waste collection and refuse containerisation, to ensure adaptability and the flexibility to introduce additional services in the future should legislation and/or the Council require them. Based on their experience of delivering similar services across the country and beyond, bidders will have different approaches on how best to achieve the Council's required outcomes.

It is anticipated that the new Government National Waste Policy will have "considerable change" to waste collection methodology over the coming years. The National Waste Policy should be

published later this year, so the council will have a clearer indication of the waste requirements during dialogue sessions with bidders. The waste industry will also be keeping abreast of the new legalisation, and will be prepared for this eventuality.

8. There is no detail on the criteria that will be used to assess the bidders.

Normal procurement procedures will prevail, governed by statute and council standing orders. The anticipated procurement route is for the contract notice to be published in September 2021. Potential providers may express a request to participate and will complete a Selection Questionnaire (SQ). The SQ will be evaluated and those organisations which have demonstrated adequate economic and financial standing, technical and professional abilities will be selected to progress.

A two-stage Competitive Dialogue process will then commence. Suppliers will be expected to evidence quality and price against method statement and these will be evaluated against an agreed criteria (as will be set out in the contract documents) after the first stage of dialogue, bidders will submit their detailed solutions (ISDS). These will be evaluated. Those organisations that submit adequate solutions will be invited to the second stage of dialogue, followed by submission of their final tenders. This will be evaluated, and the best tender selected for award of the contract.

The evaluation criteria is based on a 50:50 ratio for price and quality to drive competitive pricing with good quality services. Evaluation at each stage is undertaken by the appropriate officers, i.e. legal, HR, finance, technical, etc. assisted by external advisors, specialists in this type of procurement and the waste industry.

9. There are no details on the proposed KPI's to assess performance in terms of quality and timing of service and whether payment will be linked to performance.

It is too early in the process to predict how the payment by performance mechanism will be implemented into the new integrated contract. A suite of KPIs will be included in the contract documentation and this will be evaluated through competitive dialogue. This will become more apparent after the competitive dialogue stages. The council will provide a baseline position for the payment mechanism during the competitive dialogue process and the bidders will be provided with opportunities to comment on the proposed mechanism. The new contract will be monitored and guided by the use of effective technology to measure performance. A concise number of performance indicators, focusing on the strategic aspects of the services that outline the minimum standards to be achieved, will be included within the payment mechanism. The payment mechanism will describe, once agreed at the conclusion of the competitive dialogue process, the mechanism for the calculation of the invoice, the application of any performance deductions in the event that performance indicators are not achieved, and the application of, if relevant, any performance incentives.

10. There is no detail of how IT systems will be collecting performance data and who will be self-monitoring performance.

This will become more apparent after the competitive dialogue stages. The contractor will be expected to monitor their performance so they can quickly rectify any issues. This information will be shared with the council. Contractors will also share their raw data so the council can review the performance detail as required. The council will also monitor contract performance. However, it is too early in the process to predict exactly what IT systems will be offered by bidders.

11. There is no detail on the proposed IT system to ensure common data systems, procedures and processes.

It is too early in the process to predict what IT systems will be offered. This will become more apparent after the competitive dialogue stages. Nonetheless, it is expected that any IT system adopted will be available to the Council and/or integrate with the council's own IT systems.

12. There is no detail of the due diligence that the Council will undertake to assess each potential bidder.

Normal procurement procedures will prevail, governed by statute and council standing orders. Bidders who provide a Selection Questionnaire (SQ) will be evaluated and those organisations which have demonstrated adequate economic and financial standing, technical and professional abilities will be selected to progress.

13. There is a lack of detail on how the £10 million value of the contract was arrived at. What are the current costs to the Council?

This is outlined in the exempt element of this report.

14. There is a lack of detail on the potential availability of a Depot to potential bidders.

The contract specification provides information on depot location and availability, and it will be discussed at the dialogue phase in further detail. Where depots are to be transferred for use, appropriate licences/leases and conditions will be in place, with an expectation that these will be returned to the council when the contract expires in as good as or better condition than at the point of transfer. More is outlined in the exempt element of this report.

15. There is a lack of full financial costs, overheads and savings arising from the integration contract including plant and equipment, staff costs including redundancy.

It is too early in the process to predict the full costs. These will become clear following competitive dialogue. The current strategy is best value, to obtain high performing value for money services at the least cost.

All the vehicles used by street cleansing are out of lease when the new contract starts, so will be auctioned once they are surplus to requirement. The contractor will be expected to provide all their own vehicles and equipment. This will form part of the evaluation criteria as discussed in question 8 of this report. Redundancies are not anticipated and all staff are subject to TUPE transfer as discussed in question 5 above.

16. There is no detail on the normal profit margin on these kind of contracts

Profit margins are commercially sensitive. The Council is not in a position to know these, so cannot provide further information.

17. There is a lack of detail on what data and information will be supplied to potential bidders.

The contract will specify for all elements of cleansing, including litterbin emptying, fly tip, graffiti and flyposting removal, etc. and waste and recycling collections from households. Minimum standards have been outlined in the specification and, during the procurement stages, dialogue will consider improvement to these requirements, and these will be specified in the final contract. The contract will also seek prices for different methods of collection, such as a separate weekly food collection, to comply with any new legislation that may be introduced during the life of the contract.

The Council is specifying an 'outcome-based' contract, outlining to bidders the minimum service standards, against a suite KPI's, that must be met without defining the methods of delivery needed to achieve these outcomes. This allows bidders greater flexibility to decide how and when to deliver the services and encourages innovation and keenly priced bids.

The number of households, including if they are houses, low rise or high rise dwellings, will be provided to bidders. Data will also be provided on collection methods (such as bags, containers, underground storage containers, etc.) and the volume and composition of waste. Population and house growth predictions will also be available. As now, there will be a mechanism to increase the contract payment for additional dwellings should there be any.

Robust performance indicators including those for household collections completed will be specified in the contract. These performance indicators will outline the minimum standards required.

18. There is a lack of detail on the governance arrangements between the Council and successful bidder, particularly around later possible variations of the contract.

Normal procedures will prevail as governed by council standing orders. Also, as will be specified, there will be three tiers of management in this Contract; a Contract Partnership Board, Contract Management Group and Contract Operations Group. The Contract Partnership Board of senior managers will meet quarterly to look at strategic contractual issues, efficiencies and areas for continued improvement. The Contract Management Group will meet formally on a monthly basis to look at contract performance and improvement. The Contract Operations Group will meet at least weekly to address and resolve day-to-day service issues. Variations, if required, will be agreed at the appropriate level, then made through normal contract procedures. This will be outlined in the contract documentation.

There is already a Client team to manage the waste collection, weed control and tree maintenance contracts. A new team will be created to reflect the skills, knowledge and experience necessary to client the new contract. The client team will be resourced to undertake its function robustly and will take advantage of any improved technology and ICT systems that are potentially available through the contract.

19. There is a lack of detail on how many household collections are being completed per day and the projections of increased volumes of waste due to increased housing developments and continued home working in full or in part during the life of the contract and how any increase will be accommodated in the contract.

The number of households, including if they are houses, low rise or high rise dwellings, will be provided to bidders. Data will also be provided on collection methods (such as bags, containers, underground storage containers, etc.) and the volume and composition of waste. Population and house growth predictions will also be available. As now, there will be a mechanism to increase the contract payment for additional dwellings should there be any.

Robust performance indicators including those for household collections completed will be specified in the contract. These performance indicators will outline the minimum standards required.

20. There is a lack of detail in how the replacement of any equipment will be catered during the life of the contract.

It is too early in the process to predict how the equipment, if necessary, will be replaced. This information will become available during the procurement phases of competitive dialogue and will form part of the evaluation criteria as discussed in questions 8 and 15 above.

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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CABINET

Subject Heading:

Public Realm Transformation – New Operating Model

Cabinet Member:

Cllr Dervish

SLT Lead:

Barry Francis, Director of Neighbourhoods

Report Author and contact details:

Paul Ellis, 01708432966,
paul.ellis@havering.gov.uk

Policy context:

This decision supports the Corporate Plan, especially 'A Great Place to Live' as outlined in the Places theme

Financial summary:

Should Members agree the recommendation to tender for an integrated waste and recycling collection and street cleansing contract, this will deliver the best value for money as outlined in exempt Appendix 4

Is this a Key Decision?

Yes: expenditure or saving (including anticipated income) of £500,000

When should this matter be reviewed?

7 July 2021

Reviewing OSC:

Environment

The subject matter of this report deals with the following Council Objectives

Communities making Havering
Places making Havering
Opportunities making Havering
Connections making Havering

Appendix 1, 2, 3 and 4 of this report are exempt from publication by virtue of paragraph 3 and 5 of the Access to Information Procedure Rules set out in the Constitution pursuant to Schedule 12A Local Government Act 1972, as amended in that they contain information relating to the financial or business affairs of any particular person (including the authority holding that information); and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

SUMMARY

In September 2019, the Council started the procurement process for an integrated public realm services contract, tendering for a single contract to include waste and recycling collection, street cleansing, grounds and tree maintenance and associated services. Tendering had commenced but the outbreak of the Covid-19 pandemic introduced a period of uncertainty with bidders concentrating on service delivery and not new business jeopardising the procurement project plan timetable, leading to a significant risk that the programme would fail with severe disruption to services. Consequently, in September 2020 Cabinet agreed to stop this procurement.

The Public Realm Transformation programme has been reviewed again, concluding the market has now recovered to restart a procurement exercise. In the light of the previous Options Appraisal, Business Case and the present circumstances, three main service delivery models have been reconsidered:

- Continuing with the current operating model, with waste and recycling collection services and tree maintenance outsourced while street cleansing and grounds maintenance remain in-house. The Tree maintenance contract was extended for one year and is due to expire on 31st March 2022. The Waste and Recycling Contract will expire on 29th July 2023.
- Conduct a procurement exercise and engage an external contractor to deliver waste and recycling collection, street cleansing, grounds and tree maintenance and associated services in a single contract, or various permutations of these services to be included in the procurement with waste services
- Deliver public realm services through a Local Authority Company either by setting up a new company, using an existing company founded by the Council or partnership arrangement to deliver the services.

Assisted by Eunomia, a recent review indicates that the option likely to deliver the best outcome for the Council is to tender a waste and recycling collection service combined, and integrating, the street cleansing service. The research also indicated that retendering a standalone waste and recycling collection contract was likely to reduce bidder participation, reducing competition.

An integrated waste and recycling collection and street cleansing service contract will provide the Council opportunities to:

- Remove demarcation inefficiencies about who is responsible for litter and spillages in the street scene to achieve cleaner streets
- Improve supervision across waste collection and street cleansing services
- Share processes, procedures and ICT systems for swifter rectification of waste and street scene issues
- Lower its carbon footprint and improve local air quality with the introduction of ULEZ compliant vehicles, and may include electric and/or hydrogen vehicles where practicable
- Improve service performance within a framework of best value for money
- Increase value of the potential contract to the market which could lead to improved competition demonstrating value for money.

This report outlines the reason for the recommendation seeking approval to change the Council's operating model to deliver waste and recycling collection, weed control, trunk road cleaning and street cleansing functions in one combined integrated contract and for procurement to start as soon as practicably possible.

RECOMMENDATIONS

For the reasons highlighted in this report and its appendices, Cabinet is asked to:

1. Approve the new operating model whereby waste and street cleansing, trunk road cleaning, recycling collection and weed control services are combined in one single integrated contract offering and the commencement of the procurement of that contract; and
2. Delegate authority to the Director of Neighbourhoods, in consultation with the Cabinet Member for Environment and Director of Legal & Governance, to take all necessary steps to award the contract post procurement at the estimated value of £10 million per year and deliver an integrated contract for street cleansing, trunk road cleaning, waste and recycling collection and weed control.

REPORT DETAIL

1.0 Background

- 1.1 On 18 September 2019, Cabinet agreed that—grounds maintenance, gully cleansing, elements of parks development, park gates locking, street cleansing, winter maintenance (all delivered in-house), tree maintenance,

waste and recycling collection, trunk road cleaning and weed control (all outsourced) were to be tendered in one integrated contract. However, due to the Covid-19 pandemic, bidders struggled to undertake due diligence delaying procurement activity that jeopardised the project timetable. With key milestones not being delivered, the project was at serious risk of being unable to deliver these important services. Consequently, as agreed by Cabinet on 16 September 2020, the project was halted. Services that were already outsourced either had their contracts extended or the procurement opportunities were retendered.

- 1.2 The extended waste and recycling collection service contract is outsourced, with the extended contract due to expire in July 2023. To ensure service continuity this contract requires retendering imminently. The weed control contract is to expire in late 2023, and can be phased into a new contract in 2023 if required. The trunk road cleaning contract is updated annually with the highways contractor, and can be terminated for July 2023.

2.0 **Market Testing and Operating Model**

- 2.1 Recent research indicates the market has recovered from the pandemic sufficiently to tender. Research also indicated:

- With a shrinking market, there are fewer companies able to tender for waste and/or an integrated public realm contract
- There is market congestion with many similar contracts to be tendered at a similar period in London and other areas of England as Havering's procurement opportunity
- Of those companies that have the capacity to tender, several are targeting locations and services, and may concentrate their efforts where they hope to retain their contracts
- The market advised against the fully integrated public realm approach as previously procured and especially indicated a lack of appetite for grounds and tree maintenance services to be included with waste services
- If waste and recycling collection contract was retendered by itself, the market is less interested in this procurement opportunity as it is of lower value than many other procurement opportunities in the wider market.
- The Council will have greater procurement successes if it procures a waste and recycling collection contract combined with street cleansing services. More detail outlining the outcome of the recent market testing is in Appendices 1 and 2 (Exempt).

- 2.2 The risk profile of the project is appended at exempt Appendix 3 including mitigation steps that can be taken.

- 2.3 It is noted that strong market indication is that if the Council does not include street cleansing services in the tender with waste and recycling collection, it

is likely fewer bidders will tender for Havering's opportunity, decreasing competition that may result in less competitive pricing and innovation.

- 2.4 Consequently, to ensure procurement success, this report seeks approval to change the public realm operating model to deliver waste and recycling collection, weed control, trunk road cleaning and street cleansing services within one single integrated contract (the 'Contract'), to be delivered by one single contractor.

3.0 Governance and Procurement

- 3.1 Governance of this programme has followed Council policy and a Public Realm Transformation (PRT) Board of appropriate senior officers and experts, supported by a Project Team of specialists, will oversee the programme. The project will be monitored by the PRT Board with the Cabinet Member for Environment updated as appropriate. It is expected the award for the new Contract will be made the summer 2022.

- 3.2 The procurement of the new Contract seeks to deliver good value for money while creating a new emphasis on the management, maintenance and condition of the public realm, especially the street scene. The objectives that the Council will aim to achieve as part of the procurement of the new Contract are:

- Value for money
- An integrated Contract with the potential to deliver better co-ordinated management of the street scene, including cleaner streets.
- A contract that contributes towards other Council strategies such as improved air quality, as the Council will seek the best environmental solutions that are practicably available ensuring vehicles are ULEZ compliant, and may include electric & hydrogen vehicles, social values and community benefits where possible, assisting with the future sustainability of Havering.
- Improved technology, embracing innovative systems to improve service delivery and communications

- 3.3 Procurement will be through the Competitive Dialogue (CD) procedure. This procedure is best selected when the technical specification cannot be defined with precision and when the requirements may necessitate and involve innovative solutions which can be best delivered with the input of the market. As the Council is proposing to create a new integrated contract for the waste collection, weed control and street cleansing services, the CD procedure offers significant flexibility, as the Council can continue with the process until it is satisfied that a solution (or solutions) that is capable of meeting the needs has been identified. Given the market testing, this procurement opportunity will not be offered in lots. As outlined in section 5, an integrated solution has the potential to remove demarcation of responsibilities, join up services delivery and accountability and deliver cleaner streets with in a framework to deliver value for money.

- 3.4 Where appropriate and in consultation with the Cabinet Member for Environment, an 'outcome-based' specification, which informs bidders of the service standards that must be met but not the methods of delivery needed to achieve these outcomes, will be adopted. This gives bidders greater flexibility to decide how and when to deliver the services and encourages innovation. The contract will seek prices to deliver services as they are currently delivered but will also seek prices for separate recycling methods, especially food waste collection, and refuse containerisation to ensure the flexibility to introduce these options in the future should legislation require. Based on their experience of delivering similar services across the country and beyond, bidders will have different approaches on how best to achieve the Council's required outcomes.
- 3.5 The new Contract will be awarded for an initial period of 8 years with, subject to acceptable performance, the option for the Council to extend for up to a further 8 years, the duration of which may range from 1 year to 8 years, with no lower or upper limit to the number of extensions the Council can arrange, subject to not exceeding the maximum contract length of 16 years (initial contract term plus all extensions). Annual reviews with associated improvement plans will be specified to assist in driving improved performance and efficiency. Flexibility will be built into the extension provisions that will allow the Council to adapt to future service changes, including possible changes in waste collection requirements when there are legislative changes, the East London Waste Authority's (ELWA) waste disposal contract ends (due to expire in December 2027), innovation, new technologies, financial pressures, and whether to continue or retender the contract depending on contractor performance and the Council's long-term strategy.
- 3.6 The Council will base the award of the Contract on the Most Economically Advantageous Tender (MEAT) and, to ensure high standards of performance and market participation, a price/quality split of 50%/50% will apply. The bidders' solutions will be measured against the evaluation criteria, sub-criteria and weightings set by the Council. The Council will discuss with the bidders how each of the outcomes will be measured during the procurement process.
- 3.7 The contract will give due consideration, during the formulation of the contract and the procurement documents, to the development of a concise set of Key Performance Indicators (KPIs) which focus on the strategic aspects of the services and enable effective contract management activities. The new Contract will include an element of self-monitoring and be guided by the use of effective technology to measure performance that will be shared with the Council's client team. A payment and performance mechanism, including default mechanisms and profit sharing, which is based on good contract management principles will be included in the contract. A concise number of KPIs, focusing on the strategic aspects of the services, will be an efficient means of measuring performance and effective in driving service improvement where needed. The Council will continue to have the adequate instruments to deal with poor performance during the contract.

3.8 Before procurement can commence, the Council is obliged to consult with the GLA on waste issues to ensure they align with the Mayor of London's Environment Strategy. The initial stages of consultation has begun to enable the procurement timetable to be adhered to.

3.9 Subject to Cabinet approval for the operating model outlined in this report, officers will review the internal requirements and arrangements to ensure a robust client team is available for the new Contract. This will be conducted alongside an internal review of public realm management, grounds maintenance and parks development due to commence this summer.

4.0 Indicative timetable

4.1 Subject to the approval of the strategic direction outlined in this report, the implementation of the procurement is in accordance with the following indicative timetable.

4.2 The contract notice is likely to be published in September 2021. Potential providers may express a request to participate in the opportunity and complete the Selection Questionnaire (SQ). The submissions will be evaluated and those organisations which have demonstrated adequate economic and financial standing, technical and professional abilities will be selected to progress.

4.3 The main stages of the Competitive Dialogue process will then start. A two-stage Competitive Dialogue process, consisting of: Invitation to Submit Detailed Solutions (ISDS) followed by Invitation to Submit Final Tenders (ISFT) if selected. The consecutive stages will be used to reduce the number of bidders by applying the award criteria and until the Council has identified the solutions which are capable of meeting its needs. It is envisaged that this process will start in late 2021 and conclude in the early summer of 2022. Following submission of the final solutions, officers and their advisors will carry out an evaluation to determine the preferred bidder. A detailed report will then be developed and it is anticipated that the award of the contract will take place in summer 2022. The mobilisation of the services will commence within an adequate timeframe to ensure that the new contractor can prepare for the delivery of the new services from the start of the new Contract in July 2023.

4.4 The PRT Board will manage and agree the programme outcomes. Strong and effective representation of all relevant areas is necessary and subject matter experts attend the PRT Board. Relevant external support in the critical areas of project management, technical, procurement and legal functions will also be secured.

4.5 Trade Unions and employees have been updated on the proposals outlined in this report, and regular updates will continue. Formal consultation with Trade Unions and employees will be undertaken at the appropriate times.

REASONS AND OPTIONS

5.0 Reasons for the decision:

5.1 It is recommended the option for the waste and recycling services, weed control, trunk road cleaning and street cleansing services are procured as a single integrated Contract as this option is capable of delivering the “best” balance of benefits and risks:

- The ability to transfer some of the financial risks to the selected contractor.
- Maximises market participation.
- The opportunity to attract greater competition during the procurement process to secure best value for money.
- The ability to maximise market innovation to secure a contract which is fit for the future.
- The opportunity for improved technology, embracing innovative systems to improve service delivery and communications.

5.2 The procurement of this integrated contract achieves the following benefits:

- Reducing demarcation inefficiencies and conflicts at the interface of service delivery, especially in the street scene.
- Increased operatives’ accountability and more collaborative working.
- Improved co-ordination and sharing of resources, offering better value for money.
- Improved ICT systems leading to quicker decisions to rectify issues if they arise
- Increased value of the potential contract to the market which could lead to improved competition and better demonstration of value for money.

5.3 The Council has a legal obligation to tender contracts of this value. It also provides an opportunity to demonstrate that the Council is obtaining best value for money by carrying out an open and transparent process and engaging with the market. The competitive tension provided through a procurement process incentivises innovation and reduces costs.

6.0 Other options considered:

6.1 Other service delivery model options were considered. The selection of the options was mainly driven by the following considerations:

- The nature of the services in scope.
- The solutions available, taking into account existing and new ways of working, re-design of the business process and configuration.
- The availability of service providers.

- The ability of the supply side to deliver the required services within the constraints of delivery timeframe with other procurement opportunities in the pipeline.

6.2 The three options reviewed were:

- 6.2.1 Option 1: continuing to deliver services as the current operating model, i.e. waste & recycling collection to remain outsourced while street cleansing to remain an in-house service.

This option was not deemed viable as, because of the number of procurement opportunities in the pipeline in England, to retender a standalone waste services contract would significantly curtail participation for this lower valued contract compared to other procurement opportunities available to bidders at the same time. This situation is compounded by other risks as outlined in Appendix 3 (Exempt). Also, this option would not allow the Council to negotiate with suppliers the best delivery model for waste services, particularly removing the flexibility to allow the market to suggest ways to capitalise from any changes in the ELWA contract.

- 6.2.2 Option 2: contracting out (outsourcing) an integrated solution for the entirety of the Public Realm services, or various combinations of Public Realm services to be included in the procurement with waste services

The outsourcing completely of Public Realm services into a single integrated option is dismissed as research indicates, with fewer companies tendering for public realm contracts, a significant number of companies indicated they would not participate in the procurement if grounds and tree maintenance were included. Others indicated if they did participate, these services would have to be sub-contracted to third parties.

The Market strongly suggested procuring the waste and recycling collection service to be tendered in an integrated contract to include street cleansing would be the better procurement route (for reasons already outlined in this report). The market strongly indicated it would not bid for a waste and recycling collection service combined with grounds maintenance only.

- 6.2.3 Option 3: Set up a Local Authority Company to deliver the Contract.

The option to deliver the services through a Local Authority Company was considered and rejected as this option leaves all the financial risks with the Council and does not allow for contractors to inform the Council of the best way to structure and deliver services. Also, unless

refuse delivery specialists were engaged, the Council lacks the skills and management to progress this option at the present time.

- 6.2.4 The option of “insourcing the services” was not considered as this option has been rejected before as it is prohibitively expensive; the circumstances that led to this conclusion have not changed.

IMPLICATIONS AND RISKS

7.0 Financial implications and risks:

7.1 Savings

The financial impacts of this procurement route are outlined in Appendix 4 (exempt). It is unlikely that any savings (reduction in the Council’s overall budget) will be made through this procurement. However, it is likely that tendering for a combined waste collection and street cleansing contract will provide efficiencies and offer overall better value for money. If the government pursue the option to increase additional kerbside recycling for residents, i.e. food, glass, etc., it is likely that the cost to collect these materials will increase the contractor’s costs, which may be reflected in bid submissions.

7.2 Vehicles and Workshops

Outsourcing in-house services will leave the council with a surplus of cleansing vehicles. These vehicles are internally leased from workshops. Some vehicles have shorter leases than others, with almost all leases ending before the new Contract starts. All vehicles will be disposed of through auction. Currently street cleansing vehicles are also maintained and serviced at the council’s workshops. A contractor may or may not separately negotiate to continue to have their fleet serviced at the council’s workshops. If they do not, workshop income will reduce, requiring workshop fixed overhead costs to be reviewed and reapportioned to all other users.

7.3 Performance Management

A new client team is to be created to manage the contract. There is already a client team to manage waste collection and weed control contractors. The number of staff required to manage the integrated contract will be expanded to manage/client additional functions and services, namely street cleansing. Additional costs will be met from the savings through internal review process, as outlined in exempt Appendix 4.

7.4 Risks

There are several financial risks associated with this programme; with the introduction of additional recycling, there is a potential for contract prices to increase. This will be clearly outlined in a future report for contract award. The vehicles auctioned may not clear the balance, and the service's budget will be put under pressure. An estimate will be made on the auction value of the vehicles nearer to the time of award, and included in a cost matrix in the report outlining award in the summer of 2022.

8.0 Legal implications and risks:

8.1 The Council is under a number of statutory duties to provide a lot of the services detailed within this report which are the subject of transfer. Amongst these the Highways Act 1980 provides in s41 that a Highway Authority must maintain a public highway and that includes a requirement to keep it clean and free from obstructions. The Council is also a principal litter authority under the Environmental Protection Act 1990. This can be coupled with the council having a general power of competence under section 1 of the Localism Act 2011 to act as that of an individual, subject to other statutory provisions limiting or restricting its use.

8.2 The Council is required to procure this above threshold services contract under Public Contract Regulations 2015 (as amended) (PCR 2015). This report and its appendices detail the outcome and learning from the market testing officers have developed with the aid of an external consultant. Pursuant to Reg 40 PCR 2015, the Council conducted preliminary market consultation before commencing the procurement procedure via soft market testing meetings and previous know how. In accordance with Reg 26 (Choice of Procedures) PCR 2015 the PRT Board agreed the Competitive Dialogue (CD) procedure.

8.3 The Council may use the CD procedure in circumstances where any one or more of the grounds set out in Reg26(4) PCR 2015 exist(s):

- (i) the needs of the contracting authority cannot be met without adaptation of readily available solutions;
- (ii) the services include design or innovative solutions; and
- (iii) the technical specifications cannot be established with sufficient precision by the contracting authority with reference to a standard, European Technical Assessment, common technical specification or technical reference. To enable development of a solution best suited to the locality.

8.4 Reg 46(2) PCR 2015 requires the Council to provide an indication of the main reasons for their decision not to subdivide into lots. The reasons must be included in the procurement documents or in reports such as this report and its appendices drawn up under Reg 84(1) PCR 2015).

- 8.5 Due to the length of the contract there is likely to be some changes in the law, technology, etc., which will have an impact during the life of the contract. Some of these, where known are identified in this report. The procurement exercise and subsequent contract will try and capture, where possible, all these in a “clear, precise and unequivocal manner” as required under Regulation 72 PCR 2015 thus allowing the council and the market certainty as to intentions to include such provision, particularly where these offer best fit for the future delivery of services to residents.
- 8.6 The Council has a legal obligation to ensure due diligence and appropriate consultation for the Council’s staff that are to be transferred through the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE). Officers are developing what will translate to a detailed mobilisation plan which will include the transfer of its staff and staff of 3rd party contractors (where applicable) at the end of their contracts to the newly procured contractor post contract award. The pension’s arrangements have been considered and the new contractor will seek either admission to the Havering pension fund or alternatively will be required to provide a broadly comparable fund under the pension’s regulations.
- 8.7 Officers are aware to the need for careful management of existing contracts associated with this new opportunity to be tendered.

9.0 Human Resources implications and risks:

- 9.1 The in-house service to be included in this procurement is street cleansing. This service employs 80 staff directly, with additional agency workers as required. HR has been involved in this programme from an early stage, and is represented on the PRT Board, and will continue to offer guidance on staffing matters throughout this programme.
- 9.2 The Council employees would be TUPE transferred to the winning contractor in a controlled manner, in accordance with the Transfer of Undertakings (Protection of Employment) Regulations 2006 and their terms and conditions protected.
- 9.3 Transferring employees’ pensions will be safeguarded; market testing indicated that all contractors are likely to seek admission (Admitted Body Status (ABS)) to the Local Government Pension Scheme (LGPS). The Pensions Service has previously indicated that if the correct conditions are met, this is an acceptable outcome. The Contract will include provisions regarding pensions risk sharing and the admission to the LGPS would be subject to the execution of the contractor admission agreement. There are risks around the employer contribution rate payable into the LGPS Fund for the eligible employees and dealing with any deficit or surplus of the LGPS Fund at the cessation of the Contract. Potential bidders are likely to seek pass-through to mitigate against pension risks and, if the right conditions are met, pass-through will be agreed during the initial stages of procurement.

These legal matters will be subject to negotiation with the market during the procurement process. These risks are outlined further in Appendix 3 (exempt).

- 9.4 If this report is agreed, the Council intend to undertake a change management programme over the coming months to ensure it is best placed to manage the future contract. There is already a client team to manage the waste collection and weed control contracts. This team will be reviewed to ensure the skills and resources required to manage all aspects of the new contract, including street cleansing. This will be undertaken as part of a larger internal review that is to consider public realm management, grounds maintenance and parks development.
- 9.5 Any indirect Restructure which become apparent following this Transformation Programme will be managed through the Council's Change Management process.
- 9.6 This may be an unsettling time for staff. Managers will keep staff and Trade Unions updated, and will continue to keep them informed as the programme progresses. Support will continue to be offered to all staff through the Employee Assistance Programme. Formal consultation with Trade Unions and staff will commence at the appropriate time. Due diligence will be taken accordingly to mitigate against the risk of challenge that may be made, and an Equalities Impact Assessment (EqIA) has been conducted.
- 9.7 The waste and recycling collection services, trunk road cleansing and weed control services are already outsourced. The Council has limited responsibilities with the regard to the TUPE process for these staff, but will endeavour to ensure due diligence as it is in the Council's best interest to ensure that this progresses smoothly, to ensure services are not affected and there is a smooth transition (if an incumbent is not awarded the contract) from one provider to another.

10.0 Equalities implications and risks:

- 10.1 Under section 149 of the Equality Act 2010, the Council has a duty when exercising its functions. This includes to have "due regard" to the need to eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act and advance equality of opportunity and foster good relations between persons who share a protected characteristic and persons who do not. This is the public sector equality duty. The protected characteristics are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 10.2 "Due regard" is the regard that is appropriate in all the circumstances. The weight to be attached to each need is a matter for the Council. As long as the

council is properly aware of the effects and has taken them into account, the duty is discharged.

- 10.3 Appendix 5 outlines the detail of the Equalities Impact Assessment (EqIA). As outlined, currently 80 full-time staff are directly employed in the in-house street cleansing service. It is unlikely that there would be any specific individual impacts to any particular characteristic or group of staff.

11.0 Health and Wellbeing implications and Risks

- 11.1 Neutral impact. There will be no changes to current services and where assisted services are required, these will continue in any new contract.
- 11.2 Positive impact. Improved air quality through the introduction low emission vehicles. Also, learning from the Covid-19 pandemic, contractors will continue to adopt safer methods for street cleansing and waste collection functions, including staff health protection.

BACKGROUND PAPERS

None

Appendix 1 (Exempt) – Market testing, Havering

Appendix 2 (Exempt) – Market testing, Eunomia

Appendix 3 (Exempt) – Risks

Appendix 4 (Exempt) – Finance

Appendix 5 - Equalities Impact Assessment (EqIA)

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Equality & Health Impact Assessment (EqHIA)

Document control

Title of activity:	Public Realm Transformation – New Operating Model
Lead officer:	Peter Gay, Project Manager, Public Realm, Neighbourhoods.
Approved by:	Paul Ellis, Head of Environment, Neighbourhoods
Date completed:	26/05/2021
Scheduled date for review:	June to July 2023

Did you seek advice from the Corporate Policy & Diversity team?	Yes
Did you seek advice from the Public Health team?	Yes
Does the EqHIA contain any confidential or exempt information that would prevent you publishing it on the Council's website?	No

Please note that EqHIAs are **public** documents and must be made available on the Council's [EqHIA webpage](#).

Please submit the completed form via e-mail to EqHIA@havering.gov.uk thank you.

1. Equality & Health Impact Assessment Checklist

Please complete the following checklist to determine whether or not you will need to complete an EqHIA and ensure you keep this section for your audit trail. If you have any questions, please contact EqHIA@havering.gov.uk for advice from either the Corporate Diversity or Public Health teams. Please refer to the Guidance in Appendix 1 on how to complete this form.

About your activity

1	Title of activity	Public Realm Transformation – New Operating Model		
2	Type of activity	Proposed outsourcing of Street Cleansing services in to an integrated waste collection and street cleansing contract.		
3	Scope of activity	<p>If Cabinet approve the new operating model, the procurement process will begin in September 2021. The procurement and mobilisation phase will be completed in July 2023.</p> <p>Subject to Cabinet approval to award this contract, there will be the need to transfer approximately 80 council employees to the contractor. TUPE will apply.</p>		
4a	Are you changing, introducing a new, or removing a service, policy, strategy or function?	Yes	<p>If the answer to <u>any</u> of these questions is 'YES', please continue to question 5.</p>	<p>If the answer to <u>all</u> of the questions (4a, 4b & 4c) is 'NO', please go to question 6.</p>
4b	Does this activity have the potential to impact (either positively or negatively) upon people (9 protected characteristics)?	No		
4c	Does the activity have the potential to impact (either positively or negatively) upon any factors which determine people's health and wellbeing?	Yes		
5	If you answered YES:			
6	If you answered NO:			

Completed by:	Sam Cornell, Project Support Officer, Public Realm
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Date:

25/05/2021

2. The EqHIA – How will the strategy, policy, plan, procedure and/or service impact on people?

Background/context:

The purpose of this Equalities Impact Assessment (EIA) is to:

- Undertake a thorough and systematic analysis of the effect of implementation of the proposed new operational model of the Public Realm on employees across the Council;
- Determine the impact and what extent the Public Realm Transformation Programme has on particular groups of staff;
- Assess the impact that will occur to minority groups or individuals when the programme is implemented;
- Propose measures to mitigate, eliminate or counterbalance that impact;
- Promote equality of opportunity.

Reference will be made to the following nine protected characteristics:

- Age
- Disability
- Sex/Gender
- Ethnicity/Race
- Religion/Faith
- Sexual Orientation
- Gender Reassignment
- Marriage/Civil Partnership
- Pregnancy, Maternity and Paternity

Staff and Trade Unions have been kept updated about the Public Realm Transformation Programme. The Council will continue to update Trade Unions and staff. If Cabinet agrees the new operating model for service delivery of Public Realm services, up to 80 staff could be subject to transfer to a new contractor. This number may decrease/increase as it is proposed that in-house services will not be transferred to a contractor until July 2023, and there may be staff reductions/increases before then.

An EIA requires that consultation should be carried out with relevant interest groups. The proposed programme is subject to consultation with the recognised Trade Unions and staff affected. The Transfer of Undertakings (Protection of Employment) Regulations (TUPE) applies for these staff. The Council will ensure due diligence throughout the process, and consult appropriately.

When the contract is awarded, it is likely to be a total of 80 employees to be transferred from council to contractor. Based on the equality strands detailed in this assessment, there should be no negative impact to any of these groups as all staff within these services will be subject to transfer to the contractor regardless profile. All affected staff will be transferred and TUPE applies.

Although the Council will provide anonymised TUPE data to support its procurement activities, the broader mechanism for the transfer of staff will be contained within the Mobilisation Plan. Where the information is not confidential, this information will be shared with staff and Trade Unions.

The Council will continuously monitor and oversee the transfer of staff from the Council to the contractor throughout the programme.

**Expand box as required*

Who will be affected by the activity?

This element of the Public Realm Transformation Programme affects approx. All these affected staff will be subject to TUPE.

Reference is made to the following nine protected characteristics:

- Age
- Disability
- Sex/Gender
- Ethnicity/Race
- Religion/Faith
- Sexual Orientation
- Gender Reassignment
- Marriage/Civil Partnership
- Pregnancy, Maternity and Paternity

The tables below show the proportion of employees currently employed in the affected staff group and how this relates to the overall composition of the Council workforce.

There is no indication that the Public Realm Transformation Programme will adversely affect any strand of equality set out above. Consideration to equality issues will be reviewed following the consultation process to establish if any equality strand is adversely affected. Actions the Council will take to mitigate against any adverse impact include :

- All affected staff will have:
 - Regular updates
 - Access to one to one meeting throughout the consultation period with Council managers
 - Access to the Employees Assistance Programme
 - Access to one to one meeting throughout the mobilisation period with Council managers and the incoming contractor's managers
- Trade Unions will be updated and consulted as appropriate

**Expand box as required*

Protected Characteristic - Age: Consider the full range of age groups

Please tick (✓) the relevant box:

Overall impact:

Positive		Age	Havering (number of employees and percentage)		Neighbourhoods (number of employees and percentage)		Specified Employees (number of employees and percentage)	
Neutral	✓	<20 Years	6	0.24%		0.00%		0.00%
Negative		20-30 Years	246	9.94%	36	7.83%	5	6.25%
		30-40 Years	480	19.40%	81	17.61%	7	8.75%
		40-50 Years	604	24.41%	101	21.96%	9	11.25%
		50-60 Years	828	33.47%	179	38.91%	45	56.25%
		>=60 Years	310	12.53%	63	13.70%	14	17.50%
		Grand Total	2474	100.00%	460	100.00%	80	100.00%
		<p>Age Profile – The age profiles of the affected groups indicate that 85% are within the over 40's age profiles, with the majority (56.25%) of those between the ages of 50 and 60. All of these employees should be transferred on their existing terms and conditions from Council to a new contractor, through the TUPE process.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>						

Evidence:

The Council employees will TUPE to the contractor on their existing terms and conditions. Transferring employees' pensions will be safeguarded too; market testing indicated that all contractors are very likely to seek admission to the Local Government Pension Scheme (Admitted Body Status (ABS)). The Pensions Service has indicated that if the correct conditions are met, this is the likely outcome. In the unlikely event that ABS is not granted/sought, all employees would be offered a comparable pension offering the same/very similar benefits instead. The Council will not be seeking to harmonise terms and conditions with any prospective contractor prior to transfer. Therefore, staff transferred to a contractor should continue to have the same benefits with a contractor that they currently have with the Council.

**Expand box as required*

Sources used:

Data was supplied by the London Borough of Havering Human Resources department.

**Expand box as required*

Protected Characteristic - Disability: Consider the full range of disabilities; including physical mental, sensory and progressive conditions

Please tick (✓) the relevant box:

Overall impact:

Disability	Havering		Neighbourhoods		Specified Employees	
No	32	1.29%	1	0.22%		0.00%
Not Recorded	2397	96.89%	449	97.61%	80	100.00%
Prefer not to answer	1	0.04%		0.00%		0.00%
Yes	44	1.78%	10	2.17%		0.00%
Grand Total	2474	100.00%	460	100.00%	80	100.00%

Negative

Disability Profile – No staff within the specified group have been recorded. This means there is no data to say whether or not any of the employees have any disabilities. As TUPE applies, staff will be transferred regardless of disability.

		<i>*Expand box as required</i>
Evidence:		
Whilst any TUPE impact is less applicable here, all employers are obliged to adhere to the Equalities Act 2010.		
<i>*Expand box as required</i>		
Sources used:		
Data was supplied by the London Borough of Havering Human Resources department.		
<i>*Expand box as required</i>		

Protected Characteristic - Sex/gender: Consider both men and women									
<i>Please tick (✓) the relevant box:</i>		Overall impact:							
Positive		Gender		Havering		Neighbourhoods		Specified Employees	
Neutral	✓	Female	1695	68.51%	142	30.87%	2	2.50%	
Negative		Male	779	31.49%	318	69.13%	78	97.50%	
		Grand Total	2474	100.00%	460	100.00%	80	100.00%	
		Gender Profile – This review affects 80 people, of those people, 97.50% identify as male and the other 2.50% identify as female. As TUPE applies to all staff regardless of gender, there should be no impact.							
		<i>*Expand box as required</i>							
Evidence:									
Whilst any TUPE impact is less applicable here, all employers must abide the Equalities Act 2010.									
<i>*Expand box as required</i>									
Sources used:									
Data was supplied by the London Borough of Havering Human Resources department.									
<i>*Expand box as required</i>									

Protected Characteristic - Ethnicity/race: Consider the impact on different ethnic groups and nationalities									
<i>Please tick (✓) the relevant box:</i>		Overall impact:							
Positive		Ethnicity Grouping		Havering		Neighbourhoods		Specified Employees	
Neutral	✓	BAME	200	8.08%	23	5.00%	3	3.75%	
		non-BAME	1361	55.01%	301	65.43%	61	76.25%	
		Not Recorded	871	35.21%	131	28.48%	14	17.50%	

	Prefer not to say	42	1.70%	5	1.09%	2	2.50%
	Grand Total	2474	100.00%	460	100.00%	80	100.00%
Negative	<p>Ethnicity Profile – Only 3.75% of the workforce identify as BAME. The percentage of Non-BAME staff affected by the proposal is significantly higher with the wider council average. However, there is no particular impact to this group.</p>						
<p>Evidence: Whilst any TUPE impact is less applicable here, all employers must abide the Equalities Act 2010.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>							
<p>Sources used: Data was supplied by the London Borough of Havering Human Resources department.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>							

Protected Characteristic - Religion/faith: Consider people from different religions or beliefs including those with no religion or belief							
Please tick (✓) the relevant box:		Overall impact:					
Positive		Religion	Havering		Neighbourhoods		Specified Employees
		Any other religion	7	0.28%		0.00%	0.00%
		Buddhist	2	0.08%		0.00%	0.00%
Neutral	✓	Christian	191	7.72%	25	5.43%	0.00%
		Hindu	6	0.24%	1	0.22%	0.00%
		Jewish	1	0.04%		0.00%	0.00%
		Muslim	10	0.40%	1	0.22%	0.00%
		No religion	117	4.73%	17	3.70%	0.00%
		Not Recorded	2107	85.17%	411	89.35%	100.00%
		Prefer not to Say	28	1.13%	5	1.09%	0.00%
		Sikh	5	0.20%		0.00%	0.00%
Negative		Grand Total	2474	100.00%	460	100.00%	80
<p>Religion Profile – None of the specified employees have had this characteristic recorded. As TUPE applies to all staff regardless of religion/faith, there should be no impact.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>							
<p>Evidence: Whilst any TUPE impact is less applicable here, all employers must abide the Equalities Act 2010.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>							

Sources used:

Data was supplied the by London Borough of Havering Human Resources department.

**Expand box as required*

Protected Characteristic - Sexual orientation: Consider people who are heterosexual, lesbian, gay or bisexual

Please tick (✓) the relevant box:

Positive

Neutral

✓

Negative

Overall impact:

Sexual Orientation	Havering		Neighbourhoods		Specified Employees	
Bisexual	3	0.12%		0.00%		0.00%
Gay or Lesbian	14	0.57%		0.00%		0.00%
Not Recorded	2115	85.49%	413	89.78%	80	100.00%
Other sexual orientation	2	0.08%		0.00%		0.00%
Prefer not to answer	22	0.89%	1	0.22%		0.00%
Straight or Heterosexual	318	12.85%	46	10.00%		0.00%
Grand Total	2474	100.00%	460	100.00%	80	100.00%

Sexual Orientation Profile – None of 80 specified employees have had their sexual orientation recorded.

**Expand box as required*

Evidence:

Whilst any TUPE impact is less applicable here, all employers must abide the Equalities Act 2010.

**Expand box as required*

Sources used:

Data was supplied by the London Borough of Havering Human Resources department.

**Expand box as required*

Protected Characteristic - Gender reassignment: Consider people who are seeking, undergoing or have received gender reassignment surgery, as well as people whose gender identity is different from their gender at birth

<i>Please tick (✓) the relevant box:</i>		Overall impact:							
Positive		Gender		Havering		Neighbourhoods		Specified Employees	
Neutral	✓	Female	1695	68.51%	142	30.87%	2	2.50%	
Negative		Male	779	31.49%	318	69.13%	78	97.50%	
		Grand Total	2474	100.00%	460	100.00%	80	100.00%	
		<p>There is no data available regarding gender reassignment within this workforce. Therefore, we can only base this assessment on reported gender identities.</p> <p>Gender Profile – This review affects 80 people, of those people, 97.50% identify as male and the other 2.50% identify as female. As TUPE applies to all staff regardless of gender, all will be transferred.</p>							

**Expand box as required*

Evidence:

The Council employees will TUPE to the contractor on their existing terms and conditions. Whilst any TUPE impact is less applicable here, all employers must abide the Equalities Act 2010.

**Expand box as required*

Sources used:

Data was supplied by the London Borough of Havering Human Resources department.

**Expand box as required*

Protected Characteristic - Marriage/civil partnership: Consider people in a marriage or civil partnership

<i>Please tick (✓) the relevant box:</i>		Overall impact:	
Positive		There is no indication that the Public Realm Transformation Programme will adversely affect any strand of equality set out in this impact assessment.	
Neutral	✓	Consideration to equality issues will be reviewed following the consultation process to establish if any equality strand is adversely affected. Actions the Council will take to mitigate against any adverse impact include :	
Negative		<ul style="list-style-type: none"> • All affected staff will have: <ul style="list-style-type: none"> ○ Regular updates ○ Access to one to one meeting throughout the consultation period with Council managers ○ Access to the Employees Assistance Programme 	

		<ul style="list-style-type: none"> ○ Access to one to one meeting throughout the mobilisation period with Council managers and the incoming contractor's managers <p>Trade Unions will be consulted and updated as appropriate</p> <p><i>*Expand box as required</i></p>
--	--	---

Evidence:

The Council employees will TUPE to the contractor on their existing terms and conditions. Whilst any TUPE impact is less applicable here, all employers must abide the Equalities Act 2010.

**Expand box as required*

Sources used:

Data was supplied by the London Borough of Havering Human Resources department.

**Expand box as required*

Protected Characteristic - Pregnancy, maternity and paternity: Consider those who are pregnant and those who are undertaking maternity or paternity leave

<i>Please tick (✓) the relevant box:</i>		Overall impact:
Positive		<p>There is no indication that the Public Realm Transformation Programme will adversely affect any strand of equality set out in this impact assessment. However, consideration to equality issues will be reviewed following the consultation process to establish if any equality strand is adversely affected. Actions the Council will take to mitigate against any adverse impact include :</p> <ul style="list-style-type: none"> • All affected staff will have: <ul style="list-style-type: none"> ○ Regular updates ○ Access to one to one meeting throughout the consultation period with Council managers ○ Access to the Employees Assistance Programme ○ Access to one to one meeting throughout the mobilisation period with Council managers and the incoming contractor's managers <p>Trade Unions will be consulted and updated as appropriate</p> <p style="text-align: right;"><i>*Expand box as required</i></p>
Neutral	✓	
Negative		

Evidence:

The Council employees will TUPE to the contractor on their existing terms and conditions. Whilst any TUPE impact is less applicable here, all employers must abide the Equalities Act 2010.

**Expand box as required*

Sources used:

Data was supplied by the London Borough of Havering Human Resources department.

**Expand box as required*

Socio-economic status: Consider those who are from low income or financially excluded backgrounds

<i>Please tick (✓) the relevant box:</i>		<p>Overall impact:</p> <p>There is no indication that the Public Realm Transformation Programme will adversely affect any strand of equality set out in this impact assessment. However, consideration to equality issues will be reviewed following the consultation process to establish if any equality strand is adversely affected. Actions the Council will take to mitigate against any adverse impact include :</p> <ul style="list-style-type: none"> • All affected staff will have: <ul style="list-style-type: none"> ○ Regular updates ○ Access to one to one meeting throughout the consultation period with Council managers ○ Access to the Employees Assistance Programme ○ Access to one to one meeting throughout the mobilisation period with Council managers and the incoming contractor's managers <p>Trade Unions will be consulted and updated as appropriate</p> <p style="text-align: right;"><i>*Expand box as required</i></p>
Positive	<input type="checkbox"/>	
Neutral	<input checked="" type="checkbox"/>	
Negative	<input type="checkbox"/>	

Evidence:

The Council employees will TUPE to the contractor on their existing terms and conditions.

**Expand box as required*

Sources used:

Data was supplied by the London Borough of Havering Human Resources department.

**Expand box as required*

Health & Wellbeing Impact: Consider both short and long-term impacts of the activity on a person's physical and mental health, particularly for disadvantaged, vulnerable or at-risk groups. Can health and wellbeing be positively promoted through this activity? Please use the Health and Wellbeing Impact Tool in Appendix 2 to help you answer this question.




<i>Please tick (✓) all the relevant boxes that apply:</i>	Overall impact:
---	------------------------

Positive		There is no indication that the Public Realm Transformation Programme will adversely affect any strand of equality set out in this impact assessment.
Neutral	✓	However, consideration to equality issues will be reviewed following the consultation process to establish if any equality strand is adversely affected. Actions the Council will take to mitigate against any adverse impact include :
Negative		<ul style="list-style-type: none"> • All affected staff will have: <ul style="list-style-type: none"> ○ Regular updates ○ Access to one to one meeting throughout the consultation period with Council managers ○ Access to the Employees Assistance Programme ○ Access to one to one meeting throughout the mobilisation period with Council managers and the incoming contractor's managers <p>Trade Unions will be consulted and updated as appropriate</p> <p>This may be an unsettling time for staff. Managers have kept staff and Trade Unions updated, and will continue to keep them informed as the programme progresses. Support will continue to be offered to all staff through the Employee Assistance Programme. Formal consultation with Trade Unions and staff will commence at the appropriate time.</p> <p>All standard HR processes will be followed in order to minimise any impact on staff health and wellbeing.</p> <p>The new Contract has the potential to lead to the development and retention of a multi skilled workforce, as the integrated solution may present more opportunities for staff that wish to develop their professional career.</p> <p style="text-align: right;"><i>*Expand box as required</i></p> <p>Do you consider that a more in-depth HIA is required as a result of this brief assessment? Please tick (✓) the relevant box</p> <p style="text-align: right;">Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>
<p>Evidence: The Council employees will TUPE to the contractor on their existing terms and conditions. Transferring employees' pensions will be safeguarded too. All employers must abide the Equalities Act 2010.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>		
<p>Sources used: Data was supplied by the London Borough of Havering Human Resources department.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>		

3. Outcome of the Assessment

The EqHIA assessment is intended to be used as an improvement tool to make sure the activity maximises the positive impacts and eliminates or minimises the negative impacts. The possible outcomes of the assessment are listed below and what the next steps to take are:

Please tick (✓) what the overall outcome of your assessment was:

	1. The EqHIA identified <u>no significant concerns</u> OR the identified <u>negative concerns</u> have already been <u>addressed</u>		Proceed with implementation of your activity
	2. The EqHIA identified some <u>negative impact</u> which still needs to be <u>addressed</u>		COMPLETE SECTION 4: Complete action plan and finalise the EqHIA
	3. The EqHIA identified some <u>major concerns</u> and showed that it is <u>impossible to diminish negative impacts</u> from the activity to an acceptable or even lawful level		Stop and remove the activity or revise the activity thoroughly . Complete an EqHIA on the revised proposal.

4. Action Plan

The real value of completing an EqHIA comes from the identifying the actions that can be taken to eliminate/minimise negative impacts and enhance/optimize positive impacts. In this section you should list the specific actions that set out how you will address any negative equality and health & wellbeing impacts you have identified in this assessment. Please ensure that your action plan is: more than just a list of proposals and good intentions; sets ambitious yet achievable outcomes and timescales; and is clear about resource implications.

Protected characteristic / health & wellbeing impact	Identified Negative or Positive impact	Recommended actions to mitigate Negative impact* or further promote Positive impact	Outcomes and monitoring**	Timescale	Lead officer

Add further rows as necessary

* You should include details of any future consultations and any actions to be undertaken to mitigate negative impacts

** Monitoring: You should state how the impact (positive or negative) will be monitored; what outcome measures will be used; the known (or likely) data source for outcome measurements; how regularly it will be monitored; and who will be monitoring it (if this is different from the lead officer).

5. Review

In this section you should identify how frequently the EqHIA will be reviewed; the date for next review; and who will be reviewing it.

Review:

Scheduled date of review:

Lead Officer conducting the review:

**Expand box as required*

Please submit the completed form via e-mail to EqHIA@havering.gov.uk thank you.

Appendix 1. Guidance on Undertaking an EqHIA

This Guidance can be deleted prior to publication.

What is it?

The Equality & Health Impact Assessment (EqHIA) is a tool to ensure that your activity meets the needs of individuals and groups that use your service, whilst at the same time ensuring a person's chance of leading a healthy life is the same wherever they live and whoever they are. We want to ensure that the activities of the Council are 'fit for purpose' and meet the needs of Havering's increasingly diverse communities and employees. This robust and systematic EqHIA process ensures that any potential detrimental effects or discrimination is identified, removed, or mitigated and positive impacts are enhanced.

When to Assess:

An EqHIA should be carried out when you are changing, removing or introducing a new service, policy, strategy or function; for simplicity, these are referred to as an "activity" throughout this document. It is best to conduct the assessment as early as possible in the decision-making process.

Guidance: Equality & Health Impact Assessment Checklist

The Checklist in Section 1 asks the key questions,

4a) Are you changing, introducing a new, or removing a service, policy, strategy or function?

4b) Does this activity (policy/strategy/service/decision) have the potential to impact (either positively or negatively) upon people (9 protected characteristics)?

4c) Does this activity (policy/strategy/service/decision) have the potential to impact (either positively or negatively) upon any factors which determine people's health and wellbeing?

- If the answer to ANY of the questions 4a, 4b or 4c of the Checklist is 'YES' then you must carry out an assessment. e.g. Proposed changes to Contact Centre Opening Hours
'YES' = you need to carry out an EqHIA
- If the answer to ALL of the questions, 4a or 4b of the Checklist is NO, then you do not need to carry out an EqHIA assessment. e.g. Quarterly Performance Report
'NO' = you DO NOT need to carry out an EqHIA. Please provide a clear explanation as to why you consider an EqHIA is not required for your activity.

Using the Checklist

The assessment should take into account all the potential impacts of the proposed activity, be it a major financial decision, or a seemingly simple policy change. Considering and completing this EqHIA will ensure that all Council plans, strategies, policies, procedures, services or other activity comply with relevant statutory obligations and responsibilities. In particular it helps the Council to meet its legal obligation under the [Equality Act 2010 and the Public Sector Equality Duty](#) and its public health duties under the [Health and Social Care Act 2012](#).

Having Due Regard

To have due regard means that in making decisions and in its other day-to-day activities, the Council must consciously consider the need to:

- Eliminate unlawful discrimination, harassment and victimisation
- Advance equality of opportunity between different groups
- Foster good relations between different groups
- Reduce inequalities in health outcomes

Combining Equality and Health Impact Assessment:

[Equality Impact Assessments \(EIAs\)](#) provide a systematic way of ensuring that legal obligations are met. They assess whether a proposed policy, procedure, service change or plan will affect people different on the basis of their 'protected characteristics' and if it will affect their human rights. Currently there are **nine protected characteristics** (previously known as 'equality groups' or 'equality strands'): age, disability, sex/gender, ethnicity/race, religion/faith, sexual orientation, gender reassignment, marriage/civil partnership, and pregnancy/ maternity/paternity.

An activity does not need to impact on all 9 protected characteristics – impacting on just one is sufficient justification to complete an EqHIA.

[Health Impact Assessments \(HIAs\)](#) consider the potential impact of any change or amendment to a policy, service, plan, procedure or programme on the health and wellbeing of the population. HIAs help identify how people may be affected differently on the basis of where they live and potential impacts on health inequalities and health equity by assessing the distribution of potential effects within the population, particularly within vulnerable groups. 'Health' is not restricted to medical conditions, or the provision of health services, but rather encompasses the wide range of influences on people's health and wellbeing. This includes, but is not limited to, experience of discrimination, access to transport, housing, education, employment - known as the 'wider determinants of health'.

This [Equality and Health Impact Assessment \(EqHIA\)](#) brings together both impact assessments into a single tool which will result in a set of recommendations to eliminate discrimination and inequality; enhance potential positive impacts and mitigate where possible for negative impacts. In conducting this EqHIA you will need to assess the impact (positive, neutral or negative) of your activity on individuals and groups with **protected characteristics** (this includes staff delivering your activity), **socio-economic status** and **health & wellbeing**. Guidance on what to include in each section is given on the next pages.

Guidance: What to include in background/context

In this section you will need to add the background/context of your activity, i.e. what is the activity intending to do, and why?

Make sure you include the scope and intended outcomes of the activity being assessed; and highlight any proposed changes. Please include a brief rationale for your activity and any supporting evidence for the proposal. Some questions to consider:

- What is the aim, objectives and intended outcomes?
- How does this activity meet the needs of the local population?
- Has this activity been implemented in another area? What were the outcomes?
- Is this activity being implemented as per best practice guidelines?
- Who were the key stakeholders in this activity?

*Note that the boxes will expand as required

Guidance: Who will be affected by the activity?

The people who will be affected may be

Residents: pay particular attention to vulnerable groups in the population who may be affected by this activity

Businesses/ manufacturing / developers / small, medium or large enterprises

Employees: e.g. Council staff for an internal activity, other statutory or voluntary sector employees, local businesses and services

*Note that the boxes will expand as required

Guidance: What to include in assessing a Protected Characteristic e.g. AGE

Please tick (✓) the relevant box:

Positive

Neutral

Negative

Overall impact: In this section you will need to consider and note what impact your activity will have on individuals and groups (including staff) with protected characteristics based on the data and information you have. You should note whether this is a positive, neutral or negative impact.

It is essential that you note all negative impacts. This will demonstrate that you have paid 'due regard' to the Public Sector Equality Duty if your activity is challenged under the Equality Act.

*Note that the boxes will expand as required

Evidence: In this section you will need to document the evidence that you have used to assess the impact of your activity.

When assessing the impact, please consider and note how your activity contributes to the three aims of the Public Sector Equality Duty (PSED) as stated in the section above.

It is essential that you note the full impact of your activity, so you can demonstrate that you have fully considered the equality implications and have paid 'due regard' to the PSED should the Council be challenged.

- If you have identified a **positive impact**, please note this.
- If you think there is a **neutral impact** or the impact is not known, please provide a full reason why this is the case.
- If you have identified a **negative impact**, please note what steps you will take to mitigate this impact. If you are unable to take any mitigating steps, please provide a full reason why. All negative impacts that have mitigating actions must be recorded in the **Action Plan**.
- **Please ensure that appropriate consultation with affected parties has been undertaken and evidenced**

Sources used: In this section you should list all sources of the evidence you used to assess the impact of your activity. This can include:

- Service specific data
- Population, demographic and socio-economic data. Suggested sources include:
 - o Service user monitoring data that your service collects
 - o [Havering Data Intelligence Hub](#)
 - o [Office for National Statistics \(ONS\)](#)

If you do not have any relevant data, please provide the reason why.

*Note that the boxes will expand as required

Guidance: What to include in assessing Health & Wellbeing Impact:

Please tick (✓) all the relevant boxes that apply:

Positive

Neutral

Negative

Overall impact: In this section you will need to consider and note whether the proposal could have an overall impact on, or implications for, people's health and wellbeing or any factors which determine people's health.

How will the activity help address inequalities in health?

Include here a brief outline of what could be done to enhance the positive impacts and, where possible, mitigate for the negative impacts.

*Note that the boxes will expand as required

Do you consider that a more in-depth HIA is required as a result of this brief assessment? Please tick (✓) the relevant box

Yes No

Evidence: In this section you will need to outline in more detail how you came to your conclusions above:

- What is the nature of the impact?
- Is the impact **positive** or **negative**? It is possible for an activity to have **both positive and negative impacts**. Consider here whether people will be able to access the service being offered; improve or maintain healthy lifestyles; improve their opportunities for employment/income; whether and how it will affect the environment in which they live (housing, access to parks & green space); what the impact on the family, social support and community networks might be
- What can be done to mitigate the negative impacts and/or enhance the positive impacts?
- If you think there is a **neutral impact**, or the impact is not known, please provide a brief reason why this is the case.
- What is the likelihood of the impact? Will the impact(s) be in weeks, months or years? In some cases the short-term risks to health may be worth the longer term benefits.
- Will the proposal affect different groups of people in different ways? A proposal that is likely to benefit one section of the community may not benefit others and could lead to inequalities in health.

Please use the Health & Wellbeing Impact Tool in Appendix 2 as a guide/checklist to assess the potential wider determinants of health impacts.

This tool will help guide your thinking as to what factors affect people's health and wellbeing, such as social support, their housing conditions, access to transport, employment, education, crime and disorder and environmental factors. It is not an exhaustive list, merely a tool to guide your assessment; there may be other factors specific to your activity.

Some questions you may wish to ask include:

- Will the activity impact on people's ability to socialise, potentially leading to social isolation?
- Will the activity affect a person's income and/or have an effect on their housing status?
- Is the activity likely to cause the recipient of a service more or less stress?
- Will any change in the service take into account different needs, such as those with learning difficulties?
- Will the activity affect the health and wellbeing of persons not directly related to the service/activity, such as carers, family members, other residents living nearby?
- If there is a short-term negative effect, what will be done to minimise the impact as much as possible?

- Are the longer-term impacts positive or negative? What will be done to either promote the positive effects or minimise the negative effects?
- Do the longer term positive outcomes outweigh the short term impacts?

*Note that the boxes will expand as required

Sources used: In this section you should list all sources of the evidence you used to assess the impact of your activity. This could include, e.g.:

Information on the population affected

- Routinely collected local statistics (e.g. quality of life, health status, unemployment, crime, air quality, educational attainment, transport etc.)
- Local research/ Surveys of local conditions
- Community profiles

Wider Evidence

- Published Research, including evidence about similar proposals implemented elsewhere (e.g. Case Studies).
- Predictions from local or national models
- Locally commissioned research by statutory/voluntary/private organisations

Expert Opinion

- Views of residents and professionals with local knowledge and insight

*Note that the boxes will expand as required

Guidance: Outcome of the Assessment

On reflection, what is your overall assessment of the activity?

The purpose of conducting this assessment is to offer an opportunity to think, reflect and **improve** the proposed activity. It will make sure that the Council can evidence that it has considered its due regard to equality and health & wellbeing to its best ability.

It is not expected that all proposals will be immediately without negative impacts! However, where these arise, what actions can be taken to mitigate against potential negative effects, or further promote the positive impacts?

Please tick one of the 3 boxes in this section to indicate whether you think:

1. all equality and health impacts are adequately addressed in the activity – proceed with your activity pending all other relevant approval processes
2. the assessment identified some negative impacts which could be addressed – please complete the Action Plan in Section 4.
3. If the assessment reveals some significant concerns, this is the time to stop and re-think, making sure that we spend our Council resources wisely and fairly. There is no shame in stopping a proposal.

*Note that the boxes will expand as required

Guidance: Action Plan

For each protected characteristic/health & wellbeing impact where an impact on people or their lives has been identified, complete one row of the action plan. You can add as many further rows as required.

State whether the impact is Positive or Negative

Briefly outline the actions that can be taken to mitigate against the negative impact or further enhance a positive impact. These actions could be to make changes to the activity itself (service, proposal, strategy etc.) or to make contingencies/alterations in the setting/environment where the activity will take place.

For example, might staff need additional training in communicating effectively with people with learning difficulties, if a new service is opened specifically targeting those people? Is access to the service fair and equitable? What will the impact on other service users be? How can we ensure equity of access to the service by all users? Will any signage need changing? Does the building where the service being delivered comply with disability regulations?

Guidance: Review

Changes happen all the time! A service/strategy/policy/activity that is appropriate at one time, may no longer be appropriate as the environment around us changes. This may be changes in our population, growth and makeup, legislative changes, environmental changes or socio-political changes.

Although we can't predict what's going to happen in the future, a review is recommended to ensure that what we are delivering as a Council is still the best use of our limited resources. The timescale for review will be dependent on the scale of the activity.

A major financial investment may require a review every 2-3 years for a large scale regeneration project over 10-15 years.

A small policy change may require a review in 6 months to assess whether there are any unintended outcomes of such a change.

Please indicate here how frequently it is expected to review your activity and a brief justification as to why this timescale is recommended.

Appendix 2. Health & Wellbeing Impact Tool

Will the activity/service/policy/procedure affect any of the following characteristics? Please tick/check the boxes below

The following are a range of considerations that might help you to complete the assessment.

Lifestyle YES <input type="checkbox"/> NO <input type="checkbox"/>	Personal circumstances YES <input type="checkbox"/> NO <input type="checkbox"/>	Access to services/facilities/amenities YES <input type="checkbox"/> NO <input type="checkbox"/>
<input type="checkbox"/> Diet <input type="checkbox"/> Exercise and physical activity <input type="checkbox"/> Smoking <input type="checkbox"/> Exposure to passive smoking <input type="checkbox"/> Alcohol intake <input type="checkbox"/> Dependency on prescription drugs <input type="checkbox"/> Illicit drug and substance use <input type="checkbox"/> Risky Sexual behaviour <input type="checkbox"/> Other health-related behaviours, such as tooth-brushing, bathing, and wound care	<input type="checkbox"/> Structure and cohesion of family unit <input type="checkbox"/> Parenting <input type="checkbox"/> Childhood development <input type="checkbox"/> Life skills <input type="checkbox"/> Personal safety <input type="checkbox"/> Employment status <input type="checkbox"/> Working conditions <input type="checkbox"/> Level of income, including benefits <input type="checkbox"/> Level of disposable income <input type="checkbox"/> Housing tenure <input type="checkbox"/> Housing conditions <input type="checkbox"/> Educational attainment <input type="checkbox"/> Skills levels including literacy and numeracy	<input type="checkbox"/> to Employment opportunities <input type="checkbox"/> to Workplaces <input type="checkbox"/> to Housing <input type="checkbox"/> to Shops (to supply basic needs) <input type="checkbox"/> to Community facilities <input type="checkbox"/> to Public transport <input type="checkbox"/> to Education <input type="checkbox"/> to Training and skills development <input type="checkbox"/> to Healthcare <input type="checkbox"/> to Social services <input type="checkbox"/> to Childcare <input type="checkbox"/> to Respite care <input type="checkbox"/> to Leisure and recreation services and facilities
Social Factors YES <input type="checkbox"/> NO <input type="checkbox"/>	Economic Factors YES <input type="checkbox"/> NO <input type="checkbox"/>	Environmental Factors YES <input type="checkbox"/> NO <input type="checkbox"/>
<input type="checkbox"/> Social contact <input type="checkbox"/> Social support <input type="checkbox"/> Neighbourliness <input type="checkbox"/> Participation in the community <input type="checkbox"/> Membership of community groups <input type="checkbox"/> Reputation of community/area <input type="checkbox"/> Participation in public affairs <input type="checkbox"/> Level of crime and disorder <input type="checkbox"/> Fear of crime and disorder <input type="checkbox"/> Level of antisocial behaviour <input type="checkbox"/> Fear of antisocial behaviour <input type="checkbox"/> Discrimination <input type="checkbox"/> Fear of discrimination <input type="checkbox"/> Public safety measures <input type="checkbox"/> Road safety measures	<input type="checkbox"/> Creation of wealth <input type="checkbox"/> Distribution of wealth <input type="checkbox"/> Retention of wealth in local area/economy <input type="checkbox"/> Distribution of income <input type="checkbox"/> Business activity <input type="checkbox"/> Job creation <input type="checkbox"/> Availability of employment opportunities <input type="checkbox"/> Quality of employment opportunities <input type="checkbox"/> Availability of education opportunities <input type="checkbox"/> Quality of education opportunities <input type="checkbox"/> Availability of training and skills development opportunities <input type="checkbox"/> Quality of training and skills development opportunities <input type="checkbox"/> Technological development <input type="checkbox"/> Amount of traffic congestion	<input type="checkbox"/> Air quality <input type="checkbox"/> Water quality <input type="checkbox"/> Soil quality/Level of contamination/Odour <input type="checkbox"/> Noise levels <input type="checkbox"/> Vibration <input type="checkbox"/> Hazards <input type="checkbox"/> Land use <input type="checkbox"/> Natural habitats <input type="checkbox"/> Biodiversity <input type="checkbox"/> Landscape, including green and open spaces <input type="checkbox"/> Townscape, including civic areas and public realm <input type="checkbox"/> Use/consumption of natural resources <input type="checkbox"/> Energy use: CO2/other greenhouse gas emissions <input type="checkbox"/> Solid waste management <input type="checkbox"/> Public transport infrastructure

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**London Borough of Havering
Record of Decisions of Cabinet
Wednesday 7 July 2021**

1. **TITLE: Consideration of the report of a Topic Group - COVID-19 PANDEMIC COMMAND RESPONSE TOPIC GROUP**
2. **DECISION MADE** Cabinet
3. **BY:**
3. **DECISION:**

Cabinet agreed to refer this matter to Full Council.

1. **TITLE: Decision to increase allowances and benefits for in-house foster carers.**
2. **DECISION MADE** Cabinet
3. **BY:**
3. **DECISION:**

Cabinet:

AGREED to increase both the support and the financial incentives provided to 'in-house' carers in order to increase retention of our in-house foster carers by:

- a. Increasing the financial allowances as set out in Appendix 1 one of the report and improve a comprehensive wrap-around support package as covered in this report;
- b. Approving Havering resident foster carers as a class subject to Council Tax Relief from 1 April 2021.
- c. Approving the amendment to the Council Tax Discretionary Policy to include Havering foster carers with effect from 1 April 2021
- d. Providing complimentary access to the borough's leisure centres for in-house carers and children in their care;
- e. Waiving free green bin refuse collection charges; and
- f. Offering free parking in resident bays and council carparks borough-wide, this will not include paid for parking bays.

4. **REASON FOR DECISION**

This decision proposes to improve our offer to prospective and existing foster carers, by increasing some specific rates, in addition to providing additional benefits such as

council tax reduction, complimentary access to leisure facilities at borough leisure centres, free parking and free green bin collections for all in-house carers. The proposals in this report will enable the Borough to compete better in the foster carer market and make the borough a destination of choice for local foster carers.

5. ALTERNATIVE OPTIONS CONSIDERED

Option 1: Do nothing.

This option is not recommended as doing nothing will mean fewer in-house carers and higher reliance on the independent market, where costs are dictated by competition. Alongside, outcomes for children in our care would not be as strong and likely to impact at the borough's next Ofsted inspection.

6. **DOCUMENT CONSIDERED:** CABINET July 2021 Fostering FINAL
CABINET July Fostering Appendix 1 FINAL
CABINET July Fostering Appendix 2 FINAL

1. **TITLE:** Decision to begin a consultation in respect of Havering's Street Trading Policy

2. **DECISION MADE BY:** Cabinet
3. **DECISION:**

Cabinet:

APPROVED the commencement of a 10 week public consultation on a draft Street Trading Policy beginning on 1st September 2021.

4. REASON FOR DECISION

Havering adopted Street Trading in 1999 as part of its Environment Strategic Policy. Following natural changes in the Borough since the adoption of the relevant provisions of the London Local Authorities Act 1990 (as amended) in 1999 a new Policy is now required for street trading in the borough.

The policy is intended to provide a framework for the Council to administer and regulate street trading to ensure a consistent approach is taken. It also serves as a reference for licence holders, relevant stakeholders and enforcement officers as to the Councils intended vision and approach to street trading activities.

Before the authority can introduce a new Street Trading Policy there is a requirement under the London Local Authorities Act 1990 to consult on the proposed policy.

5. ALTERNATIVE OPTIONS CONSIDERED

Option 1 - Not to adopt a Street Trading Policy

This was rejected, as it would encourage unregulated activity which would leave Havering streets looking untidy and unattractive, and would make the streets difficult to maintain and keep safe for pedestrians.

This would also leave the Borough with potentially unmanageable street trading issues.

6. **DOCUMENT CONSIDERED:** Cabinet report Street Trading final 280621
Appendix 1 Draft Street Trading Policy v4
181220
Appendix 2A Designated Streets
Appendix 2B Designated Streets
Appendix 3 Fees and charges
Appendix 4 EqHIA

1. **TITLE: East London Joint Resources and Waste Strategy - Approval of Public Consultation**

2. **DECISION MADE** Cabinet

BY:

3. **DECISION:**

Cabinet:

1. **APPROVED** the release of the Preliminary Draft of the East London Joint Resources and Waste Strategy (ELJRWS) and associated documents to the four statutory consultees (Environment Agency, Greater London Authority, Historic England and Natural England).
2. **APPROVED** the start of wider public engagement in line with the proposals in this report.
3. **DELEGATED** to the Director of Neighbourhoods in consultation with the Cabinet Member for Environment, the decision to make minor amendments to the proposal set out in this report. Such amendments will be limited to changes in the public consultation timeline and minor changes within the Strategy document.

4. **REASON FOR DECISION**

The WCAs and WDAs in 'two tier' areas (i.e. areas with separate WCAs and WDAs) in England are required under s32 of the Waste Emissions Trading Act to have in place a joint strategy for the management of household and similar wastes. The Act also obligates these Authorities to:

- Ensure that the policies in the joint strategy are kept under review;
- Have regard to the relevant government guidance; and

- When formulating a joint strategy “carry out such consultation as they consider appropriate”.

5. **ALTERNATIVE OPTIONS CONSIDERED**

Not produce a new strategy. However, given the above statutory requirements, this is not considered a viable option.

6. **DOCUMENT CONSIDERED:**
- JMWS Consultation cabinet report FINAL
 - Appendix 1 - East London Joint Resources and Waste Strategy - Preliminary Draft
 - Appendix 2 - Current and Future Government and Mayoral Waste Policy and Targets
 - Appendix 3 - Strategy Development Process
 - Appendix 4 - Individual Borough LACW Recycling Rate targets
 - Appendix 5 - ELWA - Draft SEA Screening_v1.0 DC 21-5-21
 - Appendix 6 - Joint Strategy Public Consultation Plan
 - Appendix 7 - Timeline for consultation and adoption

1. **TITLE:** EXCLUSION OF THE PRESS AND PUBLIC

2. **DECISION MADE**

3. **DECISION:**

Cabinet resolved to exclude members of the public and press for agenda item 10.

1. **TITLE:** Public Realm Transformation- New Operating Model

2. **DECISION** Cabinet

3. **DECISION:**

Cabinet:

APPROVED the new operating model whereby waste & recycling collection, street cleansing, trunk road cleaning and weed control services are combined in one single integrated contract and the commencement of this procurement;

DELEGATED authority to the Director of Neighbourhoods, in consultation with the Cabinet Member for Environment and Director of Legal & Governance, to take all necessary steps to award the contract post procurement at the estimated value of £10 million per year and deliver an integrated contract for street cleansing, trunk road cleaning, waste and recycling collection and weed control.

4. **REASON FOR DECISION**

1. It is recommended the option for the waste and recycling services, weed control, trunk road cleaning and street cleansing services are procured as a single integrated Contract as this option is capable of delivering the “best” balance of benefits and risks:
 - The ability to transfer some of the financial risks to the selected contractor.
 - Maximises market participation.
 - The opportunity to attract greater competition during the procurement process to secure best value for money.
 - The ability to maximise market innovation to secure a contract which is fit for the future.
 - The opportunity for improved technology, embracing innovative systems to improve service delivery and communications.
2. The procurement of this integrated contract achieves the following benefits:
 - Reducing demarcation inefficiencies and conflicts at the interface of service delivery, especially in the street scene.
 - Increased operatives’ accountability and more collaborative working.
 - Improved co-ordination and sharing of resources, offering better value for money.
 - Improved ICT systems leading to quicker decisions to rectify issues if they arise
 - Increased value of the potential contract to the market which could lead to improved competition and better demonstration of value for money.
3. The Council has a legal obligation to tender contracts of this value. It also provides an opportunity to demonstrate that the Council is obtaining best value for money by carrying out an open and transparent process and engaging with the market. The competitive tension provided through a procurement process incentivises innovation and reduces costs.

5. **ALTERNATIVE OPTIONS CONSIDERED**

Other service delivery model options were considered. The selection of the options was mainly driven by the following considerations:

- The nature of the services in scope.
- The solutions available, taking into account existing and new ways of working, re-design of the business process and configuration.
- The availability of service providers.
- The ability of the supply side to deliver the required services within the constraints of delivery timeframe with other procurement opportunities in the pipeline.

Option 1: continuing to deliver services as the current operating model, i.e. waste & recycling collection to remain outsourced while street cleansing to remain an in-house service.

This option was not deemed viable as, because of the number of procurement opportunities in the pipeline in England, to retender a standalone waste services contract would significantly curtail participation for this lower valued contract compared to other procurement opportunities available to bidders at the same time. This situation is compounded by other risks as outlined in Appendix 3 (Exempt). Also, this option would not allow the Council to negotiate with suppliers the best delivery model for waste services, particularly removing the flexibility to allow the market to suggest ways to capitalise from any changes in the ELWA contract.

Option 2: contracting out (outsourcing) an integrated solution for the entirety of the Public Realm services, or various combinations of Public Realm services to be included in the procurement with waste services

The outsourcing completely of Public Realm services into a single integrated option is dismissed as research indicates, with fewer companies tendering for public realm contracts, a significant number of companies indicated they would not participate in the procurement if grounds and tree maintenance were included. Others indicated if they did participate, these services would have to be sub-contracted to third parties.

The Market strongly suggested procuring the waste and recycling collection service to be tendered in an integrated contract to include street cleansing would be the better procurement route (for reasons already outlined in this report). The market strongly indicated it would not bid for a waste and recycling collection service combined with grounds maintenance only.

Option 3: Set up a Local Authority Company to deliver the Contract.

The option to deliver the services through a Local Authority Company was considered and rejected as this option leaves all the financial risks with the Council and does not allow for contractors to inform the Council of the best way to structure and deliver services. Also, unless refuse delivery specialists were engaged, the Council lacks the skills and management to progress this option at the present time.

The option of “insourcing the services” was not considered as this option has been

rejected before as it is prohibitively expensive; the circumstances that led to this conclusion have not changed.

6. **DOCUMENT
CONSIDERED:**
- Cabinet report PRT 7 July 2021
 - Appendix 1 (Exempt) Market testing
 - Appendix 2 (Exempt) Market testing
 - Appendix 3 (Exempt) Risk
 - Appendix 4 (Exempt) Finance
 - Appendix 5 EqHIA

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