

<b>Item No.</b>	<b>Classification:</b> Open	<b>Date:</b> 12 January 2023	<b>Decision maker:</b> Chief Executive
<b>Report title:</b>		<b>Gateway 1 Procurement Strategy Approval</b> Southwark Works Network Coordination	
<b>Ward(s) or groups affected:</b>		All	
<b>From:</b>		Senior Strategy Officer	

## RECOMMENDATION (S)

1. That the Chief Executive approves the procurement strategy outlined in this report to secure a provider for the Southwark Works network coordination service for an initial period of two years from 1 July 2023 to 30 June 2025 for an estimated total annual value of £300,000 with an option to extend for a further two years, making the total estimated maximum contract value £1.2m.

## BACKGROUND INFORMATION

2. Supporting people into jobs remains a key priority for the council. Since the Southwark Works service was commissioned in 2018, the wider national and local economy has suffered an intense shock caused by the public health crisis, Covid-19. This and Brexit have had and will continue to have a profound and far-reaching impact on Southwark's local economy. In addition, significant increases to the cost of living and UK recession threaten to drag more people into poverty and further harm those who are already struggling with daily expenses. These events have highlighted and reinforced existing economic inequalities and the manner in which these interplay with social inequalities to affect life chances in our borough.
3. Work is underway on developing Southwark 2030, the council's vision for how the borough will look and feel in the long term and the contribution residents, businesses, public sector partners, the voluntary and community sector, the Council and others will make to deliver on that vision. The delivery of employment support for those further from work is key in helping the council shape the future of the borough. In addition, In September 2022, cabinet adopted a new council delivery plan, which includes the commitment to a *thriving and inclusive economy*. The delivery plan also sets out a number of ambitions, relating to employment and skills, that the council will deliver over the next four years including:
  - a. Support residents hit hardest by the cost of living crisis.
  - b. Create 2,000 green jobs for local people and open a new Green Skills Centre.
  - c. Support residents who face the most barriers to employment into jobs; delivering free support to get a job for people who face the most

barriers, including young people, people with disabilities and parents and carers returning to work and third sector organisations.

- d. Support residents to gain skills for work, creating 2,000 apprenticeships and 3,000 training opportunities so local people can take up careers in our borough's growth industries.

### **Southwark Works model**

4. Southwark Works is the council's longstanding employment support programme and the council's key channel to deliver the thriving and inclusive economy employment ambitions.
5. Southwark Works is formed of a network of providers who offer a range of tailored employment support based on underlying needs, such as mental health, homelessness or disability. This model aims to ensure there is expertise available locally to support clients to address the range of issues that impact their ability to gain and sustain employment whilst providing a recruitment service for local employers.
6. The service has operated since 2004 and has supported thousands of residents to find work and change their lives; it has made a considerable contribution to successive council plan targets (2014-2018 and 2018-2022) to support 5,000 people into work. The programme operates through two main elements:
  - directly contracted employment support for a variety of target groups and within key growth sectors in the borough (i.e. construction) from a variety of specialist providers (who make up the 'network').
  - network co-ordination – including network management; assessment of customers and referral to Southwark Works providers and/or external support; operation of a hub office for customers; customer record management to track progress and outcomes; providing recruitment services to local employers and organising job fairs for the network, managing the Southwark Works website and social media.
7. This Gateway 1 is in relation to the Network Coordination service.
8. Building on the experience of commissioning and delivering the previous Southwark Works service, in 2018 the council developed its second employment commissioning framework to procure the Southwark Works contracts. The framework operate over a four year period, with call off contracts awarded every two years, the current contracts end 30 June 2023. Mirroring this, the current Southwark Works Network Coordination contract was procured for a four year period in 2019 (two years + two years) and will also end on the 30 June 2023.
9. Reflecting the changing needs of the current and future labour market the Southwark Works programme delivery for 2023-2027 will need to be flexible to react to residents' needs. Taking on board the findings from an independent evaluation of the service, delivery will focus on:

- Engaging and supporting residents with barriers to employment.
- Engaging and supporting residents with a variety of needs to develop their skills and access and pre-employment support.
- Ensuring residents who want a better job because of low pay or insecure hours are supported
- Working with residents to address multiple barriers to work, such as housing, health and skills.
- Working with employers to ensure that all Southwark residents can access quality opportunities in the borough and employers are able to access job ready candidates.
- Outreach and engagement to ensure all sections of the community are accessing employment support.
- Using data and intelligence to ensure resident employment and support needs continue to be met.

### **Evaluation of the Southwark Works model (2019-2023)**

10. The council commissioned an independent evaluation of the Southwark Works model and service in the summer 2022 (Appendix 1), this evaluation has been key to developing the new Southwark Works service model.

11. The evaluation analysed the performance of the programme over the last four years, assessing its effectiveness in the context of other employment support programmes operating across other London boroughs where possible. It also used qualitative research to examine the views of Southwark Works service users, providers and key partners including employers. It considered the impact the service has on improving the employment outcomes for residents and identified key strengths and weaknesses.

12. Key findings from the evaluation relating to the Network Coordination contract are:

- The model and approach are effective and should be retained.
- Southwark Works is successful at achieving job outcomes and sustained retention, out-performing similar programmes by some distance for all of its client groups.
- Residents report positively on the impact Southwark Works has had on their skills, employment pathways, and mental wellbeing; demonstrating the broader impact of a holistic employment service.
- Southwark Works is successful at engaging and meeting the needs of its different priority groups with significant impact on black residents, people with disabilities and those on benefits. Nearly 20% of registered residents are currently in work, suggesting in-work support is needed and likely to continue to be required as residents navigate the cost-of-living crisis.

13. Evaluator's recommendations relating to the Network Coordination contract are:

- a. The two elements of the holistic employment service and network coordination function needs to be maintained in future frameworks.
- b. Deploy a more targeted local engagement strategy with greater investment in reaching and engaging residents.

- c. Improve data collection so that better analysis of take up and performance can be used to inform the development of the programme and to pivot services where needed.
- d. Consideration is given to ensure that providers are working to best practice, case workers have consistent approaches to support and learning and that providers are compelled to provide data, attend learning and be pro-active in the network.
- e. Common and minimum standards so that the experience is universal.
- f. Consider the use of an 'outcomes star' to demonstrate wider service impact.

### **New service from July 2023**

14. It is evident that a large part of the success of the framework lies in having an effective network coordination function which supports both clients and providers. It is therefore strongly preferable to recommission the Southwark Works Network Coordination contract providing operations management and support to the network which goes above and beyond what the council can provide via contract monitoring.
15. On the basis of previous performance and service evaluations and reviews, a dual approach is proposed for the continued investment in employment services delivered under the Southwark Works brand from July 2023, combining a framework for specialist services targeted at priority groups with a management and co-ordination service to ensure the most efficient collaboration between providers, ease of access for service users (and a single point of contact for employers) and a standardised service offer.
16. This report outlines the procurement strategy for a network co-ordination service. Procurement of the framework providers and an employer engagement service will be subject to a separate gateway report.
17. The timing of the procurement for a network co-ordinator is designed to ensure that a new contract is awarded by April 2023, ahead of the implementation of the first wave of framework contracts. A four year maximum contract term is sought in order to match the maximum term of the employment services framework.
18. In summary, the new network co-ordination provider will:
  - Provide the front door into Southwark Works; management of the 'hub' Southwark Works office, triage service users and direct them to support that is most suited to their needs.
  - Provide a qualified management team and staff to oversee network coordination and manage the hub office.
  - Lead on the development and implementation of an outreach and engagement plan which serves to engage under represented communities and target geographical areas with above average unemployment rates.

- Provide support to residents who wish to progress in work, to find a 'better' job.
- Promote good work and the living wage throughout the network.
- Manage the use of the Southwark Works Client Record Management system (currently Hanlon) across all providers in order to effectively refer and track service users; be responsible for quality assurance of data.
- Quality assurance of the service, ensuring that all clients receive a consistent high standard of service from all providers across the network.
- Manage an information hub, social media and website for Southwark Works.
- Cascade details of wider support available in the borough, training provision, etc.
- Provide access to basic skills/entry level certificates in key sectors, and training advice.
- Maintain close working relationship with key council referral teams and Jobcentre Plus work coaches to ensure they are aware of referral pathways and support available.
- Maintain close working relationships with key strategic partnerships, such as the Southwark Skills Partnership.
- Promote the Southwark Works brand and mission statement.

### **Summary of the business case/justification for the procurement**

19. The Southwark Works model ensures the efficient referral of clients across a commissioned framework of specialist support to meet complex and multiple needs, as well as a means to improve referral to other statutory or third sector local services and training provision. A single co-ordination function acts as a means of standardising management information, quality assurance and contract performance across the framework to ensure that targets are met and that there are common standards for performance of services within the framework.

20. The new contract will focus on:

- continually supporting the network to capacity build providers.
- outreach and engagement to ensure all sections of the community are able to access and benefit from support.
- quality assurance of data and service.
- embedding good practice across the framework.
- managing strategic and operational relationships.

21. Although successful outcomes have been achieved through Southwark Works delivery, there remains room for improvement. Amendments to the service specification will take into account recommendations from service evaluation, changes in policy and the market place over the last four years and respond to the new Council Delivery Plan priorities and the Economic Strategy.

## **Market considerations**

22. When this opportunity was last tendered in 2019, three tenderers submitted bids from larger private sector providers, SMEs and social enterprises.
23. With the view of attracting more bids, a market engagement event is planned for December to advertise the opportunity and support providers interested in bidding.

## **KEY ISSUES FOR CONSIDERATION**

### **Options for procurement route including procurement approach**

24. The following options have been considered for procurement:

25. **Option 1** – Single supplier negotiation

Rejected. Although the existing provider has been delivering the service since 2004 it is important that the market is tested at least every four years to explore new delivery models and ensure a consistent quality of service and value for money is being achieved.

26. **Option 2** – In house delivery

Rejected. The council does not currently employ sufficient staff with the required range of skills and recruiting these staff would be a financial risk to the council. Locally branded provision that sits outside of direct delivery creates a degree of independence whilst ensuring that the council can continue to hold the provider to account.

27. **Option 3** – Competitive tendering of the contract

**Preferred option.** As the value of this contract is above the threshold for services the council needs to competitively tender its requirements in line with the Public Contract Regulations (PCR) 2015. There are a number of different procurement routes the council could use such as open procedure or a restricted procedure.

28. An open procedure in a one stage process means there is no opportunity to remove bidders from the process who have failed to meet standards in terms of quality, equalities, finance, safeguarding etc. A two stage process allows unsuitable providers to be rejected at an earlier stage therefore ensuring that only those who meet the required standards are invited to bid for the framework contracts. A restricted procedure is considered the best route as a two-stage process allows the council to draw up a short-list of interested parties by undertaking a pre-qualification stage, prior to the issue of invitation to tender documents. The SQ has been developed to assess capability and experience to deliver locally and as such will enable a shortlist of providers to be invited to tender (ITT).

## Proposed procurement route

29. **Option 3 – Restricted Procedure:** the value of this contract is above the PCR threshold for services. It is recommended that the contract be advertised through the Find a Tender Service (FTS) as a restricted tendering procedure, comprising of two stages:

- a. Stage one: Interested providers express an interest by requesting and completing a SQ (selection questionnaire). The SQ stage will create a short list of suppliers based on the organisation's capacity to deliver; their economic and financial standing, previous technical or professional ability.
- b. Stage two: Providers short listed at stage one will be invited to submit a tender.

## Identified risks for the procurement

30. The following risks have been identified for this procurement:

No.	Risk	Risk Level	Mitigating Action
<b>Procurement process</b>			
1.	Delays in contracting timetable	Medium	<ul style="list-style-type: none"> <li>• Robust project management in place.</li> <li>• Dedicated officer time to the commissioning project</li> </ul>
2.	Not enough tenders received	Low	<ul style="list-style-type: none"> <li>• Knowledge of the existing market will be applied to ensure that, in addition to advertising the opportunity in FTS and Contracts Finder, it will be targeted at known providers across the region.</li> <li>• Contracting timetable allows for sufficient time to submit high quality bids.</li> </ul>
<b>Service delivery</b>			
3.	Timing – deviations from planned timetable	Medium	<ul style="list-style-type: none"> <li>• Robust project management in place</li> <li>• Project start up requirements for this service will be minimal and contract monitoring will identify any emerging issues.</li> <li>• Project outcomes and outputs are known to be deliverable within stated timescales and to specified volume and quality criteria</li> <li>• Staged payments will provide an incentive for the contractor to deliver against key milestones.</li> </ul>

4.	Budget changes affecting indicative budget for 2023-2027	Low	<ul style="list-style-type: none"> <li>Contract structure of two years plus two optional years combined with break clause allowing break or variation due to budget constraints.</li> </ul>
5.	Limited lead in time if new provider wins contract	Medium	<ul style="list-style-type: none"> <li>The procurement timetable is designed to allow sufficient lead-in time to establish the new network provision and manage any outstanding TUPE issues ahead of implementation of the contract.</li> <li>A short term contract extension for the current provider is a contingency option.</li> </ul>
6.	Continuity of service / Knowledge transfer	Low	<ul style="list-style-type: none"> <li>The procurement timetable allows sufficient time for contract mobilisation and handover with the existing provider</li> </ul>

### Key /Non Key decisions

31. This report deals with a non key decision.

### Policy Framework Implications

32. The Southwark Works service will be the council's key mechanism for achieving against the Council Delivery Plan commitment to a thriving and inclusive economy. Underpinning this commitment is the Economic Renewal Plan (the council's response to the economic impact of the Covid-19 pandemic) and the Economic Strategy (due to be approved by cabinet in March 2023).

33. Southwark's Economic Strategy 2023-2030 will set the council's ambitions for Southwark's economy to 2030 and beyond, leading to a fairer, greener and more resilient economy in Southwark. Building on successes of the past decade, Southwark will continue to encourage growth, particularly in key sectors such as life sciences and the green economy, and the council will redouble its efforts to support local people and businesses to benefit from the opportunities it creates. However, a future strategy cannot rely on growth alone to narrow inequalities in economic opportunity and prosperity within the borough. Towards 2030 the council will refocus towards shaping a more inclusive local economy, working with business and other stakeholders to meet the challenges of the climate emergency, and building economic fairness and resilience within all of our communities and across the economy as a whole. The council's overarching ambition is to work collectively to deliver an economy that is fairer, greener and more resilient for the residents and businesses of our borough.

34. By providing a unified framework for council-led employment activity the Southwark Works employment commissioning framework supports the achievement of objectives across a suite of council plans including the Children and Young People's Plan, special educational needs and disabilities (SEND) Strategy, the Joint Health and Wellbeing Strategy, and the Housing Strategy. In addition, the Southwark Works service will work with the Skill Delivery Partnership and Community Wealth Building anchor organisations to ensure residents are able to access good employment opportunities.

### Procurement project plan (Non Key decisions)

Activity	Complete by:
DCRB Review Gateway 1:	08/12/2022
Brief relevant cabinet member (over £100k)	12/12/2022
Approval of Gateway 1: Procurement strategy report	12/12/2022
Completion of tender documentation	23/12/2022
Publication of Find a Tender Service Notice	09/01/2023
Publication of Opportunity on Contracts Finder	09/01/2023
Closing date for receipt of expressions of interest	30/01/2023
Completion of short-listing of applicants	17/02/2023
Invitation to tender	17/02/2023
Closing date for return of tenders	20/03/2023
Completion of clarification meetings / presentations / evaluation interviews	28/03/2023
Completion of evaluation of tenders	31/03/2023
Forward Plan (if GW2 is key decision)	18/11/2022
DCRB Review Gateway 2: Contract award report	11/04/2023
Approval of Gateway 2: Contract Award Report	14/04/2023
End of scrutiny Call-in period and notification of implementation of Gateway 2 decision (If GW2 is key decision)	21/04/2023
Contract award	27/04/2023
Add to Contract Register	27/04/2023
TUPE Consultation period (if applicable)	27/04/2023
Place award notice in Find a Tender Service	27/04/2023
Place award notice on Contracts Finder	27/04/2023
Contract start	01/07/2023
Initial Contract completion date	30/06/2025
Contract completion date – if extension(s) exercised	30/06/2027

## **TUPE/Pensions implications**

35. There are no implications for the council as an employer because the council does not directly undertake the provision of services being tendered. The Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) applies on a service provision change where activities cease to be carried out by a contractor on the council's behalf and are instead carried out by another contractor on its behalf, where there is an organised grouping of employees whose principal purpose is the carrying out of that activity, and where the activity is to be carried out otherwise than in connection with a single specific event or task of short-term duration. Only those employees assigned to the transferring activity will transfer. However until due diligence is carried out the full TUPE and pensions implications cannot be determined.
36. The current service provider will therefore be requested to provide the details of terms and conditions (including pay and pension information) of their employees engaged on the services they provide. This information will be included in the ITT packs for other tenderers to prepare their bids. TUPE liabilities will therefore be identified to potential tenderers so these can be costed into any bid by them. It will also be made clear to tenderers that the responsibility to seek legal advice to take a view regarding TUPE will rest with them and that they should obtain independent advice before submitting a tender. The current contract does not include any provisions specifically addressing TUPE and what happens at the end of the current arrangements, such as provision of information. There are also no indemnities covering the risk of claims by employees. Any liabilities would usually transfer to the new service provider but a new provider may seek reassurances on liabilities from the council.

## **Development of the tender documentation**

37. The tender documentation will be developed in line with the council's procurement and legal guidelines and with advice from relevant council officers. The specification, evaluation criteria, pricing documents and the conditions of the (standard council service) contract will be developed by officers with specialist knowledge of employment support services in the council's Local Economy Team.

## **Advertising the contract**

38. The contract will be advertised through Find a Tender and Contracts Finder, as well as being directly notified to local government networks and partnerships such as London Councils and Central London Forward, Community Southwark and the existing provider network, thus ensuring a particular focus on those operating in Southwark, but also using knowledge of providers from other commissioning bodies and local authorities.

## **Evaluation – 2 stage process**

39. The evaluation panel will be made up of representatives from the Local Economy Team.
40. The framework will be awarded using a restricted tender process consisting of 2 stages, SQ and ITT as set out below.
41. **Stage 1 - SQ:** Providers will be asked to demonstrate their capacity to deliver the Network Coordination contract. The standard version of the SQ will be utilised for this with additional questions asked regarding Quality Assurance, Equalities, Safeguarding and Health and Safety. General compliance will be assessed on a pass/fail basis. Technical and professional ability questions will be evaluated using the council's standard scoring system and key criteria will include service delivery, local knowledge and outreach and engagement. Bidders are likely to be required to achieve a minimum score of two on each question in order to progress to ITT.
42. **Stage 2 - ITT:** At this stage, quality and price will be tested. Providers will be asked to complete a set of questions which will assess quality and price, using a weighted model of 80% quality (of which 5% will be social value), 20% price/output. The council's usual quality price ratio is 30% quality and 70% price, however a high quality weighting of 80% is required due to the need to ensure a high standard of service for a range of vulnerable groups, whose likelihood of securing employment could be actively harmed by an inappropriate intervention.
43. Method statements will be used to evaluate tenders against key quality criteria such as outreach, customer journey, service delivery and partnership working.

## **Community, equalities (including socio-economic) and health impacts**

### **Community impact statement**

44. Community benefits will accrue through the direct outputs of this procurement, principally through measurement of numbers in defined groups entering employment and gaining skills, but also indirectly through effective operation of the Southwark Works Employment Framework and through meeting employer demand for a local workforce.
45. By linking with the Skills Strategy, Community Wealth Building anchor network and local employers, residents will be able to secure good work that is sustainable and employers will be able to access job ready candidates.

### **Equalities (including socio-economic) impact statement**

46. Southwark Works supports a combination of groups that are overrepresented in unemployment measures, including some of the most marginalised groups in the labour market. It seeks to bridge gaps in mainstream service provision provided largely by Jobcentre Plus and DWP programme providers. The

Southwark Works service focuses on building self-efficacy and self-esteem for all service users at all times.

47. By focusing attention on these groups this service specifically aims to meet the needs of protected characteristics groups, in line with the council's published Equalities Approach. Due regard has been paid to the Public Sector Equality Duty (PSED) in section 149 of the Equality Act 2010 specifically; to have due regard to the need to eliminate discrimination, harassment, victimisation or other prohibited conduct; advance equality of opportunity; though providing the means to engage in the labour market and improve socio-economic outcomes and wellbeing, and foster good relations between people with protected characteristics and those who do not. The relevant protected characteristics specifically supported through this provision are age, disability, race and gender.
48. The service contract will specify that employment support and local employment opportunities are made available solely to Southwark residents. An Equalities Impact and Needs Analysis (EINA) is in the process of being completed for this procurement and the procurement of the Southwark Works Framework. Initial identified mitigating actions include:
  - a) Outreach and engagement will target demographic groups more likely to require employment support
  - b) Tender documents will reflect EINA and ask potential suppliers to describe the demographic breakdown of the clients they will support
  - c) CRM system – the CRM system is currently used by the majority of Southwark Works providers. Going forward it will be a requirement, allowing officers to access more robust information on the demographic breakdown of Southwark Works clients
  - d) The council will ask successful suppliers to complete satisfaction surveys with their clients and a wider evaluation of outcomes every two years. This service user survey will ask questions on demographics of clients; officers will be able to use this to determine if there is disparity of wider outcomes achieved through the service.
49. Community benefits will accrue through the direct outputs of this project, principally through measurement of numbers in defined groups entering employment, but also indirectly through effective operation of the Southwark Works Employment Framework and through meeting employer demand for a local workforce.
50. The drop-in service to be provided at the Southwark Works office is compliant with the Equality Act 2010.
51. All of the services in the new contract will be monitored through the Local Economy Team, in collaboration with referring council teams, to ensure that employment support and referral of candidates is effectively aligned with job opportunities, employment support, and training programmes arising from regeneration and development in Southwark.

## **Health impact statement**

52. Evidence has shown that not being in work can affect people's health. For those that want to work, Southwark Works will be a preventative service supporting residents with wider barriers to employment.
53. Southwark Works provision will include a specific service for people experiencing undiagnosed mental health problems and both adults and young people with learning difficulties and disabilities. Provision in the borough already exists for people with other physical health conditions and diagnosed mental health conditions; throughout the delivery of the contracts council officers and providers will link in to existing provision to ensure that residents receive the support most beneficial to them and their circumstances.

## **Climate change implications**

54. Following Council Assembly on 14 July 2021, the council is committed to considering the climate change implications of any decisions.
55. Throughout the delivery of the service, the Network Coordinator will seek to reduce waste by cutting down on paper forms, provision of recycling waste bins at the hub office, offer appointments at locations that are easy to attend by public transport or online,

## **Social Value considerations**

56. The Public Services (Social Value) Act 2012 requires that the council considers, before commencing a procurement process, how wider social, economic and environmental benefits that may improve the wellbeing of the local area can be secured. The details of how social value will be incorporated within the tender are set out in the following paragraphs.
57. Social value considerations will be included, through social value Themes Outcomes Measures (TOMs) and part of the quality assessment of each bid. These will be tailored to this provision and consider the requirements of the FFPF.

## **Economic considerations**

58. Local economic benefits that will be tested through this procurement process are:
  - Apprenticeships and paid internships;
  - Job creation and local economy;
  - Local employment opportunities;
  - Work placement opportunities;
  - Payment of London Living Wage where appropriate;

## **Social considerations**

59. Officers will ensure that the procurement process is accessible to a variety of suppliers including SMEs, black and minority ethnic, women and disabled owned businesses and the voluntary and community sector. A market warming event will be advertised through FTS and Contracts Finder; officers will also directly engage with local organisations who have

## **Environmental/Sustainability considerations**

60. The specification for this contract will include requirements for the contractor to be mindful of environmental impacts; provisions will be made for reducing waste by reducing paper forms, provision of recycling waste bins at the hub office, offer appointments at locations that are easy to attend by public transport or online. This will be tested at procurement stage and potential providers will have the opportunity to offer more measures to reduce the environmental impact of the service through the delivery of this contract.

## **Plans for the monitoring and management of the contract**

61. The contract will be managed and monitored within existing staff resources in the Local Economy Team. Contract monitoring arrangements will be in line with council procedures and established processes will include:

- Payment related to achievement of KPIs.
- Quarterly monitoring of outputs and outcomes.
- Regular meetings with contractor's project manager to review and manage performance.
- Regular review of costs.
- Consultations with internal customers of this project to monitor its contribution to council-wide policies and priorities.
- Management and oversight of ongoing risks.
- Improvement planning where two consecutive quarters of underperformance occurs.
- Evaluation of service delivery – every two years.

## **Staffing/procurement implications**

62. There are no direct staffing implications. Quarterly monitoring visits and all other contract management meetings/ work will be undertaken by the Local Economy Team's lead officer for the contract or a delegated officer as appropriate within existing staffing.

## **Financial implications**

63. The projected value of the initial 2 year for Southwark Works Network Coordination contract from 1 July 2023 to 30 June 2025 (for an estimated total value of £600,000) with an option to extend for a further two years, making the total estimated maximum contract value £1.2m. Contract costs

will be met from the Local Economy Team core commissioning budget (CM906 68202 - £642k pa), and topped up by secured S106, where required.

64. Staffing and any other costs relating to the monitoring of the contract will be contained within existing divisional resources.

### **Legal implications**

65. Please see concurrent from the Director of Law and Governance.

### **Consultation**

66. The Local Economy Team commissioned an independent evaluation of the Southwark Works service in the summer 2022. To understand the impact of the current service and make recommendations on future provision, evaluators engaged with:

- current providers
- local employers and business improvement districts
- service users
- council officers

67. Findings from the evaluation are informing changes to the wider Southwark Works service.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Head of Procurement**

68. This report seeks approval from the Chief Executive for the procurement strategy outlined in this report to secure a provider for the Southwark Works network coordination service for an initial period of two years from 1 July 2023 to 30 June 2025 for an estimated total annual value of £0.3m with an option to extend for a further two years, making the total estimated maximum contract value £1.2m.

69. The Chief Executive notes the procurement is detailed in paragraphs 24 to 29 and 37 to 43, the risks are detailed in paragraph 30, the impact on equalities, health and climate change are detailed in paragraphs 44 to 53, social value is detailed in paragraph 56 to 57, confirmation of the payment of LLW is detailed in paragraph 58, management and monitoring of the contract is detailed in paragraph 61.

### **Director of Law and Governance**

70. This report seeks the approval of the Chief Executive to the procurement strategy for the Southwark Works network coordination service for an initial period of two years from 1 July 2023 for an estimated annual value of £300k with an option to extend for a further two years, making a total estimated maximum contract value of £1.2m

71. The service is classified as a “light touch” service under Schedule 3 of the Public Contracts Regulations 2015 and is subject to the Light Touch Regime. Due to the estimated value of the proposed expenditure involved those Regulations require a competitive process to be advertised via the Find a Tender Service. As the procurement will be undertaken under the Light Touch Regime, it will not be subject to the full rigor of the Public Contracts Regulations 2015, however, the council must ensure that the procurement is open, transparent, and fair.
72. Paragraph 27 of this report confirms that the restricted procedure is the council's proposed procurement route and paragraphs 39 to 43 outlines the two stage evaluation process that will be followed.
73. The Chief Executive's attention is drawn to the Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010, which requires public bodies to have due regard, when making decisions, to the need to eliminate discrimination, harassment, victimisation or other prohibited conduct, advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic and those who do not share it. The Chief Executive is specifically referred to the community, equalities (including socio-economic) and health impacts at paragraphs 44 to 53 of this report setting out the consideration that has been given to equalities issues, which should be considered when approving the recommendation in this report.

#### **Strategic Director of Finance and Governance (CE22/052)**

74. This report is requesting Chief Executive to secure a provider for the Southwark Works network coordination service for an initial period of two years from 1 July 2023 to 30 June 2025 for an estimated total annual value of £0.3m with an option to extend for a further two years, making the total estimated maximum contract value £1.2m.
75. The strategic director of finance and governance notes that the estimated cost of the contract can be contained within the funding, as detailed in the financial implications section.
76. Staffing and any other costs connected with this report to be contained within existing departmental revenue budgets.

**FOR DELEGATED APPROVAL**

**PART A – TO BE COMPLETED FOR ALL DELEGATED DECISIONS**

Under the powers delegated to me in accordance with the council’s constitution, I authorise action in accordance with the recommendation(s) contained in the above report (and as otherwise recorded in Part B below).

**Signature....** Althea Loderick

**Date...**9 January 2023

**Designation.....**Chief Executive

**PART B – TO BE COMPLETED BY THE DECISION TAKER FOR:**

- 1) All key decisions taken by officers
- 2) Any non-key decisions that are sufficiently important and/or sensitive that a reasonable member of the public would reasonably expect it to be publicly available (see ‘FOR DELEGATED DECISIONS’ section of the guidance).

<b>1. DECISION(S)</b>
As set out in the recommendations of the report
<b>2. REASONS FOR DECISION</b>
As set out in the report
<b>3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED BY THE OFFICER WHEN MAKING THE DECISION</b>
As set out in the report
<b>4. ANY CONFLICT OF INTEREST DECLARED BY ANY CABINET MEMBER WHO IS CONSULTED BY THE OFFICER WHICH RELATES TO THIS DECISION *</b>
None declared

\* Contract standing order 6.4.1 states that for contracts with an Estimated Contract Value of £100,000 or more, the lead contract officer (LCO) must consult with the relevant cabinet member before a procurement strategy is implemented.

**5. NOTE OF ANY DISPENSATION GRANTED BY THE MONITORING OFFICER, IN RESPECT OF ANY DECLARED CONFLICT OF INTEREST**

*If a decision taker or cabinet member is unsure as to whether there is a conflict of interest they should contact the legal governance team for advice.*

N/A

**6. DECLARATION ON CONFLICTS OF INTERESTS**

**I declare that I was informed of no conflicts of interests.\***

**Signature....** Althea Loderick

**Date...**9 January 2023

**Designation.....**Chief Executive

**BACKGROUND DOCUMENTS**

Background Documents	Held At	Contact
<a href="#">Southwark Works Equalities Impact Assessment</a>	Local Economy Team	Nils Bendle

**APPENDICES**

No	Title
Appendix 1	Southwark Works Evaluation

**AUDIT TRAIL**

<b>Lead Officer</b>	Stephen Gaskell, Director of Strategy and Economy	
<b>Report Author</b>	Liz Gardiner, Senior Strategy Officer	
<b>Version</b>	Final	
<b>Dated</b>	16 <sup>th</sup> December 2022	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>
Strategic Director of Finance and Governance	Yes	Yes

Head of Procurement	Yes	Yes
Director of Law and Governance	Yes	Yes
Cabinet Member	Yes	Yes
<b>Contract Review Boards</b>		
Departmental Contract Review Board	Yes	Yes
<b>Date final report sent to Constitutional Team</b>		12 January 2023