

Cabinet Meeting	
Meeting Date	11 July 2018
Report Title	Reactive and Planned Term Maintenance Contract – Award of contract
Cabinet Member	Cllr Duncan Dewar-Whalley, Cabinet Member for Finance and Performance
SMT Lead	Nick Vickers, Chief Financial Officer
Head of Service	Anne Adams, Head of Property Services
Lead Officer	Debbie Hardy, Buildings Manager
Key Decision	Yes
Classification	Open
Recommendation	To delegate the decision to award the contract for Planned and Reactive Term Maintenance from 1 October 2018 for an initial period of three years to the Head of Property Services in consultation with the Cabinet Member for Finance and Performance and the Chief Financial Officer.

1 Purpose of Report and Executive Summary

- 1.1 This report seeks Cabinet's approval to delegate the decision to award the contract for Planned and Reactive Term Maintenance to the Head of Property Services in consultation with the Cabinet Member for Finance and Performance and the Chief Financial Officer. This will allow the new contract to commence immediately upon expiry of the current contract on 1 October 2018.

2 Background

- 2.1 The current contract for Planned and Reactive Term Maintenance commenced on 1 October 2015. It had an initial period of three years with an option to extend for a further two years.
- 2.2 Following protracted discussions with the incumbent contractor regarding terms for the extended two year period, it has been concluded that it will not be possible to agree terms that are acceptable to both the contractor and the Council.
- 2.3 Due to the time taken in negotiations, the procurement process was not started soon enough to bring the tender results to this meeting and allow members to take the

decision to award the contract. In order to avoid a break in the contract, it is therefore being requested that that decision be delegated.

3 Proposals

3.1 The termination of the current contract after three years has provided an opportunity to make some changes to the specification of the new contract. It is anticipated that the changes will improve the ability to manage and monitor performance and value for money.

3.2 The programme for the procurement process is as follows:

Tender opportunity advertised on Portal – 25 May 2018

Return date for Invitations to Tender – 25 June 2018

Tender evaluation and contractor interviews – 9 July 2018 and 18 July 2018

Award of contract – 1 August 2018

Commencement of contract – 1 October 2018

3.3 As with previous similar contracts, the tenders will be evaluated on the basis of 60% price, 40% quality. The three highest scoring tenderers will be invited to attend an interview to clarify their submission and answer questions. Following the interviews, the scores will be reviewed and the tenderer with the highest score will be selected.

3.4 Due to the anticipated contract value exceeding the £100,000 threshold for officer decisions, over its potential five year life, it would normally be necessary for Cabinet to take the decision to award the contract. However, for the reasons set out above, it is recommended that this decision is delegated to the Head of Property Services, in consultation with the Cabinet Member for Finance and Performance and the Chief Financial Officer.

4 Alternative Options

4.1 The alternative option would be to delay the award of the contract until the next Cabinet meeting on 26 September 2018. This is not recommended as it would not allow the new contract to commence on 1 October 2018. There would be break in the maintenance service which could have significant implications for a number of Council owned buildings.

5 Consultation Undertaken or Proposed

5.1 The Chief Financial Officer, the Cabinet Member for Finance and Performance, the Contracts and Procurement team and the Legal Department all support the recommendations.

5.2 This has been discussed and agreed by the Procurement Board.

6 Implications

Issue	Implications
Corporate Plan	Appointing a contractor that meets a good quality standard and provides good value for money contributes towards all the corporate priorities as it ensures that the maintenance of the Council's assets is optimised.
Financial, Resource and Property	<p>Anticipated annual spend on the reactive maintenance contract is £100,000. The total contract value for the three years is therefore estimated as £300,000.</p> <p>The Transfer of Undertakings (Protection of Employment) Regulations 2006 as amended ("TUPE") apply to this contract and the implications of this have been addressed in the procurement process.</p>
Legal and Statutory	<p>The contract will be the standard JCT Measured Term Contract 2016, which is typically used as an industry standard for term contracts. The JCT contract should be subject to a schedule of amendments to include the Council's required contract terms, e.g. Freedom of Information.</p> <p>The Council will also need to be assured that the outgoing and incoming service providers have complied with their consultation obligations under TUPE.</p>
Crime and Disorder	None identified at this stage
Environmental Sustainability	The evaluation of the tenders will include social value, of which environmental sustainability forms a part.
Health and Wellbeing	None identified at this stage
Risk Management and Health and Safety	The evaluation of the tenders will include the contractors' approach to risk management and health and safety.
Equality and Diversity	None identified at this stage
Privacy and Data Protection	None identified at this stage

7 Appendices

None

8 Background Papers

None