

Cabinet Meeting		Agenda Item: 6
Meeting Date	15 July 2015	
Report Title	Procurement of Term Maintenance Contract	
Cabinet Member	Cllr Dewar-Whalley, Cabinet Member for Finance	
SMT Lead	Mark Radford	
Head of Service	Anne Adams	
Lead Officer	Eva Harris	
Key Decision	Yes	
Classification	Open	
Forward Plan	Yes	
Recommendations	<ol style="list-style-type: none"> 1. That Cabinet approves the appointment of DCB Limited as Term Maintenance Contractor from 1 October 2015 for an initial period of three years, and 2. That Cabinet gives delegated authority to the Head of Property Services in consultation with the Cabinet Member for Finance to extend the contract for a further two years subject to satisfactory performance of the Contractor. 	

1 Purpose of Report and Executive Summary

- 1.1 The current term maintenance contract expires on 30 September 2015. The Property Services team carried out a three stage tender process based on the most economically advantageous tender (MEAT) which was evaluated on 60% price and 40% quality. The Term Maintenance Contract is to provide a reactive and planned maintenance service for a selection of Council owned buildings.
- 1.2 This report summarises the procurement process and its results, and seeks Cabinet approval of the recommended contractor.

2 Background

- 2.1 The opportunity was advertised in accordance with contract standing orders, with interested parties asked to complete a pre-qualification questionnaire. Thirteen tenderers replied and scores were allocated according to the criteria explained in the questionnaire document.
- 2.2 The top five scoring tenderers were invited to submit a tender. The third stage, for the three tenderers that submitted the most economically advantageous tenders, was an interview with the procurement panel. The panel consisted of the Head of Property Services, the Facilities Officer and the Commissioning Officer (Procurement) with

Councillor Dewar-Whalley also in attendance. Each panel member made notes and discussed openly before collectively scoring the tender interviews.

3 Proposals

- 3.1 Cabinet is requested to approve the proposal to enter into a contract with DCB Ltd for a three year Term Maintenance Contact with the option after three years to delegate authority to the Cabinet Member for Finance to extend the contract to five years subject to satisfactory performance.
- 3.2 DCB is a locally based company with over 80 directly employed staff and several other similar contracts within Kent and Sussex. Although their tender price was slightly higher than the lowest price, they scored highly in the quality evaluation due to the evidence they supplied of their track record, policies and procedures and approach to social value and therefore submitted the most economically advantageous tender.

4 Alternative Options

- 4.1 To extend the current contract for a further two years. This option is not recommended as the procurement exercise has provided an opportunity to make revisions to the specification and potentially improve the performance of the contract going forwards.
- 4.2 To enter into a contract with the tenderer that submitted the lowest price. This is not recommended, as the Council's procurement policy requires tenders to be evaluated on the basis of the most economically advantageous tender.
- 4.3 To not have a term maintenance contract. This option is not recommended as in order to ensure compliance with contract standing orders it would be necessary to carry out numerous individual procurement exercises throughout the year and there would be limited control over response times for emergency and urgent repairs.

5 Consultation Undertaken or Proposed

- 5.1 Periodic consultation with existing contactors takes place to monitor and review the term maintenance work and processes.
- 5.2 Periodic consultation with customers on satisfaction with the new maintenance contract is proposed

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 £150,000. The total contract value for the three years is therefore estimated as £450,000.</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 2011, 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.
Sustainability	The technology used on the recommended tenderer’s contracts minimises travel to their office and paper use as all works orders are received and updated electronically by the operative.
Health and Wellbeing	None identified at this stage.
Risk Management and Health and Safety	Part of the procurement process ensures that contractors are fully competent, particularly in the area of health and safety. DCB’s competence is evidenced through their membership of CHAS contractors Health & Safety Assessment Scheme, OHSAS (Occupational H&S Management Systems18001:2007 and Exor.
Equality and Diversity	None identified at this stage

7 Appendices

7.1 The following documents are to be published with this report and form part of the report:

- Appendix I: Summary of scores and prices

