

REPORT TO: Executive Board

DATE: 7 April 2016

REPORTING OFFICER: Strategic Director, People & Economy

PORTFOLIO: Resources

SUBJECT: Term Maintenance Contracts

WARDS: Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 The purpose of the report is to seek approval from Members in respect of obtaining delegated authority for the Operational Director, Economy, Enterprise & Property in conjunction with the portfolio holder to award the 3 year term maintenance and minor works contracts for mechanical, electrical and building elements for use across the Borough once the evaluation process has been completed.

2.0 RECOMMENDATION: That Members approve that delegated authority be given to the Operational Director, Economy, Enterprise & Property in conjunction with the portfolio holder for Resources, to award the 3 year term maintenance and minor works contracts for mechanical, electrical and building elements for use across the Borough once the evaluation process has been completed.

3.0 SUPPORTING INFORMATION

3.1 Members were notified via a report dated 1st Oct 2015 minute EXB 50 that the Operational Director, Economy, Enterprise & Property had given approval to enter into a procurement process via The Chest in respect of the term maintenance and minor work contracts for mechanical, electrical and building elements across the Borough as the existing contracts were coming to an end as of 31st May 2016.

3.2 The new arrangements are being set up for a 3 year period with the potential for up to a 1 year extension subject to satisfactory performance, the anticipated commencement date being 1st June 2016.

3.3 Tenders have now been returned and are in the process of being evaluated, the evaluation criteria being on both price and quality with a ratio of 40% price, 60% quality. Following interviews a recommendation will be put forward in respect of awarding the respective contracts.

- 3.4 The overall cumulative value of the contracts over the 3 year period was estimated at £5.25m hence approval would normally be required via Executive Board to award the contracts following evaluation. Unfortunately the procurement process has taken slightly longer than anticipated and we will not be in a position to put a recommendation forward in respect of who the contracts should be awarded to until w/c 11th April 2016.
- 3.5 Due to the schedule of Executive Board meetings it will not be possible to bring a report to Board for approval and still meet the 1st June 2016 start date, given that a one month lead-in period will be required for the successful contractors, hence this report seeking delegated authority be given to the Operational Director in conjunction with the portfolio holder to award the contracts.
- 3.6 Subject to approval being given it is anticipated that tenderers will be notified of the intentions to award Contracts in late April. This will mean that we should be in a position to award Contracts from early May for a 1st June start date.
- 3.7 Due to the value of these Contracts an extension of longer than one month would exceed the EU Services Value Threshold so extending the current Contracts is not an option.
- 3.8 The cost of all works associated with these contracts will be met from existing budgets, this being a combination of the Property Services repairs and maintenance budget together with other revenue and capital budgets where appropriate.
- 3.9 Subject to approval a report will be brought back to Executive Board notifying Members of the outcome of the evaluation process and confirming who the Operational Director, Economy, Enterprise & Property has awarded the contracts to.

4.0 POLICY IMPLICATIONS

- 4.1 The method of procurement fits with the Council's procurement policy, the tender process being carried out in conjunction with the Procurement Centre of Excellence, using 'The Chest' procurement portal.

5.0 OTHER IMPLICATIONS

- 5.1 The above contracts will ensure that we continue to deliver the maintenance and servicing of plant and equipment within the authority's buildings in a cost effective manner which will enable us to provide fit for purpose accommodation for staff and public alike.

- 5.2 The above will also help with the delivery of the department's aims and objectives which amongst others are to 'manage the Council's land and property portfolio in a safe, cost effective and fit for purpose condition' and to contribute to increasing the number of Halton residents in employment.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

None

6.2 Employment, Learning and Skills in Halton

The letting of these contracts will help contribute to the employment within the borough as we are building into the contract clauses to encourage the providers to employ Halton residents on the strength of the contracts.

6.3 A Healthy Halton

None

6.4 A Safer Halton

None

6.5 Halton's Urban Renewal

None

7.0 RISK ANALYSIS

- 7.1. These contracts are being procured as the existing arrangements are coming to an end. Failure to ensure new contracts are in place by 1st June 2016 will leave us liable to higher costs due to not having gone through a competitive process in 4 years, and the submissions received seeming to offer better value.

There is also a risk of exceeding the EU Services Value Threshold if we extend current arrangements.

8.0 EQUALITY AND DIVERSITY ISSUES

None

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

None under the meaning of the Act.