

REPORT TO: Executive Board Sub Committee
DATE: 15th July 2011
REPORTING OFFICER: Strategic Director Children & Enterprise
SUBJECT: Term Maintenance Contracts
WARDS: Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 The purpose of the report is to notify members that the Operational Director, Economy, Enterprise & Property has given approval to proceed with a procurement process with regards the provision of corporate term maintenance and minor works contracts for mechanical, electrical and building elements for use across the borough.

2.0 RECOMMENDATION: That Members note that a procurement process will be entered into with the purpose of securing maintenance and minor works contracts for mechanical, electrical and building elements for use across the borough.

3.0 SUPPORTING INFORMATION

3.1 The existing maintenance and minor work term contracts for mechanical, electrical and building elements across the borough will all have come to an end by December 2011. We are currently holding over on a number of these contracts with a view to bringing all the timescales in line when the new contract or contracts are let.

3.2 The existing arrangements allow for six separate contracts, one each for each discipline for both Widnes and Runcorn. It is proposed that the tender documents for the new arrangements are put together in such a way that companies can tender for any combination of the different elements as such this allows for the possibility of one company could take onboard all elements thus we would enter into one contract, alternatively we could have six individual companies taking on board the different elements therefore having six contracts.

3.3 It is proposed that the new arrangements are set up for a 3 year period with the potential for upto a 2 year extension subject to satisfactory performance. The anticipated tender date is circa September 1st with the anticipated commencement date being early in the new financial year.

3.4 The tender submissions will be evaluated on both price and quality, this being on a 60% price, 40% quality ratio. The quality element will take into consideration items such as an organisations experience, financial

stability, capacity and compliance with all relevant legislation and health and safety standards. Risk will also be a consideration in the evaluation process as the fewer organisations we contract with increases the risk factor as such this needs to be taken in to consideration. The above evaluation process will ensure that we enter into a contract or contracts which obtains the most economically advantageous terms for the authority.

- 3.5 Based on previous expenditure it is anticipated that the annual value of the contract or contracts in total is likely to be in the region of £1m thus making the value of a 3 year contract in the order £3m. This figure is above the OJEU threshold as such the contract is subject to European procurement rules and will be tendered accordingly.
- 3.6 The cost of the works will be met from existing budgets, this mainly being Property Services repairs and maintenance budget however other revenue budgets will be used as necessary.

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 authorities' 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

8.0 EQUALITY AND DIVERSITY ISSUES

None

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

Document

Place of Inspection

Contact Officer