

Cabinet – 2nd July 2014

Property Services – Building and Maintenance Contract Procurement

Portfolio: Councillor A Andrew - Regeneration and Transport

Related portfolios: ALL

Service: Property Services

Wards: ALL

Key decision: YES

Forward plan: YES

1. Summary

- 1.1 The Council has to ensure that all statutory tests are carried out, risk assessments and policies adhered to for water hygiene; asbestos; glazing; fire; gas; lifts and hoists and obligation to ensure that building, electrical & mechanical maintenance and repairs are attended to across all Council assets.
- 1.2 Mechanical, Electrical and Building related works and services are currently sourced from a large number of suppliers through a range of one-off, termed or cost limited contracts.
- 1.3 This report explores a number of options to rationalise the expansive supply chain and enable the Council's Property Services to meet the above statutory requirements, respond to customer requests, deliver building and maintenance projects in shorter timeframes and contribute to the savings required from current budgetary constraints.
- 1.4 In accordance with the Council's Contract Rules, a Cabinet resolution is required to award a contract where the anticipated value will exceed £500,000. It is expected that the value of any resultant contracts will exceed this value.

2 Recommendations

- 2.1 That Cabinet consider the options set out in the Options Appraisal attached to this report at **Appendix 1** to start the transformation of Property Services' delivery across the borough over the next year and approve the adoption of Option iv.

- 2.2 That Cabinet authorise the Executive Director for Regeneration to commence negotiations with Solihull Metropolitan Borough Council about joining their established framework, known as a Single Partnering Agreement and currently used by Birmingham, Coventry, Nuneaton, Rugby, Sandwell and Warwick Councils, for an initial period of three years (being the minimum term that this framework agreement may be used).
- 2.3 That the Executive Director for Regeneration reports back to Cabinet on the outcome of these negotiations before the Council makes any contract awards using Solihull's framework.
- 2.4 That Cabinet approve the market testing of longer term procurement options for all Council building related services.

3. Report detail

- 3.1 For a number of years the Council's Property Services have relied on a variety of ad-hoc, termed and single tender contracts to meet the demands of their customers for capital projects, maintenance and repairs. As the Council's budget seeks further cost savings it is timely to review these services, the procurement processes used and seek alternative arrangements that meet the rapidly changing demands of the Council's customers and operational users.
- 3.2 In order to meet procurement regulations, Best Value principles and the Council's own Contract Rules, it is important to demonstrate that both value for money and open competition have been delivered through any contract placed by the Council. The very nature of the cost of repairing, maintaining and replacing buildings requires large value contracts to be in place, either as individual service contracts or larger call-off contracts. Often the time spent procuring smaller, one off contracts, writing scope of works, specifications and outcomes is as time-consuming for an individual contract as it is for a larger framework style call off contract.
- 3.3 This report summarises the five options compared in the Options Appraisal annexed at **Appendix 1** to this report, being to:
 - i) continue to procure a number of ad hoc contracts from a variety of sources, local purchasing and tendering, via construction line or Government approved (Crown Commercial Services) Frameworks;
 - ii) procure single services from a range of Government approved (Crown Commercial Services) Frameworks
 - iii) procure a single call off contract from a Government approved (Crown Commercial Services) Frameworks;
 - iv) join Solihull MBC's framework, known as a Single Partnering Agreement ("**SPA**") for all works and services; or

v) Set up a Council specific framework from which to call off contracts following a full OJEU procurement process

3.4 At the time of writing this report, Property Services have over 100 projects itemised on their project plan with a combined value of approximately £54,000,000. These projects are planned over the next 2-3 years and include feasibility on projects which are still to be funded.

3.5 There are currently over 150 suppliers that provide responsive repairs, maintenance and building services through termed, one-off and call-off contracts through which the Council spent over £5,200,000 in 2013/14. Over 8,000 orders were raised in the year with 75% of orders below £300 and 88% at £1,000 or below and less than 4% of projects accounting for 54% of expenditure.

2013/14	Number	Value of	Percentage	Percentage
ord ers	of or de rs	ord ers	of Ord ers	of Sp en d
Under £1k	7053	£1,234,988	88%	24%
£1k - £5k	686	£1,189,741	9%	23%
£5k-£25k	265	£1,541,989	3%	30%
over £25k	33	£1,249,497	0.4%	24%
Total	8,037	£5,216,216	100%	100%

The following services/works are currently pending procurement:

<u>Works/Services</u>	<u>No of projects.</u>
Minor Works:	41
Intermediate Works:	22
Major Works:	4
Mechanical & Engineering:	14
Electrical Contract:	11
Roofing Contract:	18
Windows Contract:	3
Alarms:	numerous
Demolition Contract:	10

Currently each of the above contracts is to be procured separately with each requiring a full set of specifications, scope and drawings to support the tendering process.

3.6 As more demands are made on the public purse it is critical that the Council maximises the outcomes of all of its assets and that Property Services can accurately predict expenditure, not only against capital projects, but also for maintenance, repair and replacement of critical components. This form of life

cycle asset management has demonstrated considerable savings and where applied to capital contract design and build management can deliver further cost savings. The Construction Industry's Guide to Supply Chain Management indicates this can regularly return a 20% operational saving.

- 3.7 Project Managers, Engineers and Building Surveyors currently spend a large proportion of their time preparing tenders and procuring works and services which limits their time managing projects, contracted works or services.
- 3.8 These proposals will radically change the role of the Design Project Managers, Building Surveyors, Electrical and Mechanical Engineers. With a reduced number of contracts to procure their time will be more readily spent managing projects, contract performance and achieving value and quality.
- 3.9 By creating a set of service specific outcome focused Council specifications within the contracts it is possible to introduce a high degree of performance monitoring, and can incentivise suppliers to drive costs whilst meeting or improving the set objectives. The Council specifications in any new form of contract will be tailored to meet the Council's requirements and will include a target for the employment of local labour, sub contractors and apprenticeships.
- 3.10 The benefit that the Solihull MBC SPA brings is that it offers an immediately available compliant procurement route for service delivery, removing the current high level of procurement activity from the building services and project management teams. A savings plan can be established with the Council specifications with the potential for a guaranteed minimum saving. Other users of this partnering agreement have achieved in excess of 20% over previous years spend.

4. Council Priorities

- 4.1 At present many contracts are placed with local businesses. Tendering on a larger scale may not attract local suppliers. However Crown Commercial Services framework contracts provide for regional and local labour and subcontracting; whilst Solihull MBC's SPA, being regionally based, also sources many of contractors and labourers locally. Any long term contract procured would also require the supply chain to demonstrate the levels of labour, suppliers and apprenticeships as part of the service level agreement and performance monitoring.
- 4.2 .A key aim of this report is to rationalise the supply chain to drive down costs and the recommendations of this report meet the Council's value to manage available resources responsibly for the benefit of our community and deliver best value
- 4.3 Customers and property staff will have much more transparency and be able to actively challenge through the Council specifications to demand the required

levels of service. Council officers will be empowered to challenge the self certification process within the supply chain to demonstrate best value

- 4.4 The Council specifications will require all service providers to train and provide local resourcing for Walsall residents. This will be recorded and monitored throughout the period of the contracts as a key performance indicator.
- 4.5 The initiatives identified within this report will enable the Council to continue to save money and deliver best value to its customer base.
- 4.6 In September 2012 the Council adopted the Marmot Objectives as objectives for improving Health and Wellbeing and reducing inequalities for the people of Walsall. These objectives have provided the framework for the Joint Strategic Needs Assessment, the Health and Wellbeing Strategy, the Sustainable Communities Strategy, and "The Walsall Plan". Any contract and all Council specifications will require the supplying contractor/s to actively demonstrate local resourcing of labour and materials and to demonstrate opportunities for apprenticeship schemes for Walsall residents within their supply chain. Targets will be agreed during mobilisation and reported regularly and will be a key indicator of overall contract performance.

5. Risk Management

- 5.1 There are currently over 150 contracts/suppliers with open orders for building services. With so many contractors there is a high risk that the Council is not achieving value for money due to the high level of administration, operational management costs and the fragmentation of purchasing power.
- 5.2 With the volume of small repetitive orders there is a high risk of disaggregation of work.

6. Financial implications

- 6.1 Recent procurement of reactive and maintenance contracts through InTend demonstrated savings ranging from 2.1% to over 60%. If a saving of, for example, 20% is applied to the annual revenue spend of Property Services (£4,390,000 including the provision of budgets to be centralised from other Services), this would result in a saving of £878,000 per annum.
- 6.2 There is an opportunity to incentivise the supply chain within the Council specifications to drive down costs with the potential for additional savings through gain share. Existing users of Solihull MBC's SPA are experiencing savings of between 25%-40%. A gain share agreement is in place with some councils who use the SPA, providing a share to them over agreed savings targets and it is the Council's intention to negotiate this within a Walsall specific specification.
- 6.3 The table below summarised potential annual savings assuming 20% is achieved and the maximum additional saving the Council could achieve before any profit share would commence (assuming a similar arrangement would be agreed for the Council):

	20% saving *	Additional saving up to 25%	Total
15/16	£878,000	£220,000	£1,098,000
16/17	£878,000	£220,000	£1,098,000
17/18	£878,000	£220,000	£1,098,000
18/19	£878,000	£220,000	£1,098,000
19/20	£878,000	£220,000	£1,098,000
Total	£4,390,000	£1,100,000	£5,490,000

* Assumes 9-10 service specific contracts procured, savings generated over existing ad hoc project and building specific procurement.

- 6.4 Once the above contracts have been procured and implemented there would also be savings in administration, procurement, tendering and contract management time.
- 6.5 The benefits of selecting the SPA or an established framework over independent procurement of services are twofold:
- i: savings will be realised much earlier with the SPA.
 - ii: there is no need for costly procurement for March 2016.

- 6.6 Further savings will also be made for capital projects or the available capital funds could be extended to include more projects. The level of future capital savings will depend on future capital programmes, although for illustrative purposes the capital budgets for Property Services for 2014/15 (including brought forward and centrally held budgets) are £3,551,000 (hence savings of £710,000 at 20%).

7. Legal Implications

- 7.1 All contractual arrangements must comply with the Public Contracts Regulations 2006 (as amended) and the Council's Contract Rules.
- 7.2 Legal Services have not seen or commented about the call off terms for either Solihull MBC's SPA framework agreement or any relevant Crown Commercial Services frameworks and will work closely with Property Services and Procurement to advise about whether these frameworks are open for the Council's use and are fit for the Council's needs.

8. Property Implications

There are no direct asset implications as a result of this business case. However the implementation of recommendations from this paper may impact future property demands.

9. Health and Wellbeing Implications

None identified and or anticipated

10. Staffing Implications

- 10.1 Should Cabinet decide to approve one of the recommendations outlined within this report it is anticipated that there would be a number of staffing implications once a new procurement model has been identified.
- 10.2 By joining a framework (Options: ii, iii, iv in the Options Appraisal at **Appendix 1**) the Council's Project Managers, Building Surveyors and Engineers should no longer be spending time procuring contracts until at least 2019/20 with long term frame work provision.

There would be no change to the demands placed upon such Council staff with Option i of the Options Appraisal at **Appendix 1** (i.e. continue with current Procurement Model).

There would be an intense period of procurement with Option v of the Options Appraisal at **Appendix 1** (i.e. the Council sets up its own framework(s), through

to 2016/17 after which there would be no further requirement for the duration of the framework.

- 10.2 Once the new contracts are in place, the Project Managers, Building Surveyors and Engineers would be released to manage more projects and for the engineers and surveyors to provide contract monitoring, checking the quality and cost of works. The number of Council staff to be retained in this team should be directly in relation to the volume of projects required to be delivered by the Council. If there is a reduction in the projects or volume of work to be managed then the teams will need to be resourced accordingly.
- 10.3 Therefore, should Cabinet approve a recommendation from this report and once a new procurement model has been approved, a redesign of the service will be required to ensure the function meets the requirements of the new delivery arrangements. At this time a full consultation process and TUPE assessment will be implemented.

11. Equality implications

An Equalities Impact Assessment has been carried out, and there are no implications that would impact on any employees or members of the public as a result of this report.

12. Consultation

- 12.1 Consultation has been carried out with all Directorates, Executive Team and key customers. It is widely acknowledged there needs to be a significant improvement in the way building service contracts are procured.
- 12.2 Full consultation with all Council staff impacted will be carried out during the development of the Council specifications for whichever procurement route will be selected and the full requirements of project and contracts management can be realised.

Background Papers

Option Appraisal Appendix 1 attached
Equal Opportunities Impact Assessment attached
Cabinet Report Consultation Document attached

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27th June 2014



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27th June 2014

Cabinet – 2nd July 2014

Property Services – Contract Procurement – OPTIONS APPRAISAL

Portfolio: **Regeneration and Transport - Cllr Adrian Andrews**

Related portfolios: **ALL**

Service: **Property Services**

- A.1 For a number of years the council's Property Services have relied on a variety of ad-hoc, termed and single tender contracts to meet the demands of their customers for capital projects, maintenance and repairs. As the Council's budget seeks further cost savings it is timely to review these services, the procurement processes used and seek alternative arrangements that meet the rapidly changing demands of its customers and operational users.
- A.2 In order to meet procurement regulations it is important to demonstrate that both value for money and open competition have been delivered through any contract placed by the council. The very nature of the cost of repairing, maintain and replacing buildings requires large value contracts in place, either as individual contracts or larger call off contracts. This paper reviews the various options available to the Council.

Option i – Continue with Current Procurement Model

- A.3 Property service project, building and maintenance contracts are currently procured using a number ad hoc contract routes usually below EU thresholds from an established supply chain of local builders, contractors and engineers. Larger projects are procured through mini tenders from construction-line or directly with known selected contractors. Major projects are procured through Scape or similar national frameworks for one off projects usually limited to Willmott Dixon.
- A.4 During the last financial year over 8,000 orders were raised with 150 suppliers with individual orders varying in size from £30 to over £75,000. Works and services are often procured at short notice. Anticipated spend over the next 5 years is circa £30m.
- A.5 As many contracts are procured for specific projects there is often a delay between a customer commissioning a project and the work being delivered.

Timeframe

- A.6 This is the current process, so is immediately available.
- A.7 These are currently procured and delivered at short notice often without sufficient forward planning.

Staffing Impact

- A.8 There are no staffing implications from this Option.

Impact on Service

- A.9 Feedback from customers indicates their expectations are not fully met, with unreasonable delays between commissioning and service delivery. There would be no improvement in service delivery with this option.

Risk

- A.10 With the high volume of projects procured there is an intense use of project managers, building surveyors and engineers to process tenders,
- A.11 There is the potential to disaggregate projects to keep under OJEU thresholds, Financial and Contract Regulations.
- A.12 There is poor visibility of best value as purchasing power is fragmented.

Financial Impact

- A.11 There will be no financial impact; hence the division will fail to make its anticipated savings target for 2015/16 and beyond.

Recommendation

A.12 It is not recommended to continue with the current procurement practices within Property Services

Option ii - Single Service Multiple Provider Contracts

- A.13 There are a number of established Crown Commercial Frameworks that a range of service specific contracts can be procured from. Prepare specification and procure single service contracts, such as SCAPE or West Midlands partnering framework with MITIE.
- A.14 A Mini tender will be required from these established frameworks with Walsall specific service level agreements written to procure:

Minor Works:	£5m.
Intermediate Works:	£8m.
Major Works:	£5m.
Mechanical & Engineering:	£2.5m
Electrical Contract:	£1.5m
Roofing Contract:	£2m.
Windows Contract:	£1m.
Alarms:	£200k
Demolition Contract:	£750k
Asbestos removal:	£2m
Water Hygiene:	

Total Value £28m over 5 years

Timeframe

- A.15 The service level agreements will have to be developed before a series of mini tenders can be prepared and circulated to the nominated supply chain within each framework, this will take around 3 months to procure, so would not mobilise contracts until November 2014.

Staffing Impact

- A.16 A substantial reduction in the volume of procurement will reduce the procurement workload for project managers, building surveyors and engineers. This will release their time to manage projects and contracts, and to carry out technical audits to check compliance, performance and value for money.

The related resourcing savings have been identified in the 2015-16 budget savings once contracts are mobilised, March/April 2015

Impact on Service

- A.17 This Option offers improved response times as contracts will be in place to respond immediately to customer requirement and will provide better planning of workload. Project managers and engineers more focused on service delivery

Risk

- A.18 The number of available service providers is restricted on each framework. There may be less opportunity to influence localism within service level agreements due to the value of some of the service contracts.
- A.19 The asset database will require updating for each supplier to work from. This will need to be updated and maintained centrally or a separate database management contract procured. Without a central up to date database there would be the risk that multiple contractors could be attending site at any one time to carryout dysfunctional activities.

Financial Impact

- A.20 The anticipated annual savings from procuring a suite of service specific contracts would be £878k, this is after the set up and operational costs of running a central asset database.
- A.21 The anticipated saving over five years would be £4,390k

Recommendation

- A.22 This option would make a valuable contribution to savings, with significant service and performance improvements. Framework contracts are readily available, but would require a higher level of management, notably the asset management database; where other options offer a potentially better solution.

Option iii - Single provider call off contract.

A.23 There are established Crown Commercial Frameworks from which a single Building and Facilities Management services contractor could be procured including Interserve, MITIE, AMEY, Carillion etc.

A.24 A single contract procured from such a framework to cover all building, mechanical and electrical engineering, minor and intermediate construction works would have a total contract value of circa £28m

Timeframe

A.25 A tendering competition will be required subject to the value of anticipated workload and number of organisations available to meet specification within approved frameworks. Due to the complexities of procuring a single contract and preparing a Walsall Specific Service Level Agreement for all service lines, this would take 6 months to procure and mobilise with a launch date of 1st January 2015.

Staffing impact

A.26 A substantial reduction in the volume of contracts will reduce the procurement workload for project managers, building surveyors and engineers. This will release their time to manage projects, contracts and carry out technical audits to check compliance, performance and value for money.

The related resourcing savings have been identified in the 2015-16 budget savings once contracts are mobilised, March/April 2015

Impact on service

A.27 This Option offers improved response times as contracts will be in place to respond immediately to customer requirement and will provide better planning of workload. Project managers and engineers more focused on service delivery.

Risk

A.28 There are fewer contractors on the frameworks to choose from although there is a requirement for localism within the frameworks there is less opportunity to negotiate; therefore some sovereignty may be lost

A.29 There is no central up to date asset database so will require a help desk function procured as part of the contract. This will require asset data being checked and verified during the mobilisation period.

Financial Impact

A.30 A single service provider will develop knowledge of the Council's assets and be able to plan and deliver an improved cost efficient service accordingly

A.31 The anticipated annual savings from procuring a single building and facilities management services contract would be £989k, this includes the set up and operational costs of updating and maintaining the asset management database.

A.32 The anticipated saving over five years would be £4,945k

Recommendation

A.33 This option makes a valuable contribution and should be considered in accordance with the savings, service and performance improvements from the other options, although the loss of sovereignty with a larger national provider may be a deterrent.

Option iv - Join Established Single Partnering Agreement

A.34 Solihull Metropolitan Borough Council has already established a national framework contract through a full OJEU procurement tender. This is the only Public Sector managed framework available to all Public Sector organisations.

A.35 The Partnering Agreement was established in 2012 for a period of 7 years plus up to 3 year extension and can be accessed for a minimum of 3 years.

Timeframe

A.36 As the OJEU process has already been undertaken; Walsall council can join this Partnering Agreement without the need for any additional procurement.

A.37 During the mobilisation period a Walsall specific Service Level Agreement will be drawn up with the supply chain partners. This will include the provision and resourcing of local labour, sub contractors where applicable. We would also include the requirement of the supply chain partners to provide apprenticeship scheme for Walsall trainees.

A.38 The Partnering Agreements could be mobilised from 1st January 2015

Staffing impact

A.39 This option would eradicate procurement for a number of years and will reduce workload for project managers, building surveyors and engineers. This will release their time to manage projects, contracts and carry out technical audits to check compliance, performance and value for money changing the way these officers will work.

The related resourcing savings have been identified in the 2015-16 budget savings once contracts are mobilised, March/April 2015

Impact on service

A.40 This Option offers improved response times as contracts will be in place to respond immediately to customer requirement and will provide better planning of workload. Project managers and engineers more focused on contract and performance monitoring.

A.41 As this framework and related contractors are already mobilised in adjacent boroughs, the transition into Walsall can be managed quickly.

Risk

A.42 The lack of up to date asset data will require asset data to be updated during the mobilisation period. The Single Partnering Agreement will enable the supply chain to grow in knowledge whilst updating the data base,

Financial Impact

- A.43 A single service provider will develop knowledge of the council's assets and be able to plan and deliver an improved cost efficient service accordingly
- A.44 The anticipated annual savings from procuring a single building and facilities management services contract would be £989k, this includes the set up and operational costs of running an inclusive help desk module.
- A.45 The anticipated saving over five years would be £4,945k

Recommendation

- A.46 This option provides the highest level of savings over the next 5 years as the Partnering Agreement can be bought into in the shortest timeframe.

There is potential for in year savings.

Option v Procure Walsall Specific call of contract/s

A.47 This option is to prepare a specification the focuses on the requirements of Walsall and its customers, then to publish intention to procure notice and develop full tender and contact document, advertise in the OJEU and follow full process.

A.48 The anticipated value of £25-28m depending on procurement costs.

Timeframe

A.49 A full OJEU process of this scale would take at 18 – 24 months to procure so would not go live until late 2016 or early 2017. An alternative option would need to be chosen in the short term.

Staffing impact

A.50 There will be a significant reduction in procurement requirement once the full OJEU process is complete but this would not be until the contract mobilises in 2016/17

A.51 A team of procurement specialists would need to be assembled to project manage the procurement of such a large contract.

Impact on service

A.52 There will be no improvement to service delivery unless option ii, iii or iv is selected in the short term through to mobilisation of this contract late 2016 early 2017.

A.53 Once mobilised this option will offer improved response times, better planning of workload and will focus on Walsall specific deliverables.

Risk

A.54 The long lead in and procurement time reduces risk as these can be adequately profiled and transferred to preferred supply chain partner. However the service would be reliant on other options ii, iii or iv during the scoping, planning, procurement and mobilisation of this option.

A.55 Significant cost of procurement through to March 2017

A.56 Understanding of what a Walsall Specific contract would be, how different that is to any of the other available contract routes and what that means in financial terms.

Financial Impact

- A.57 A single provider will develop knowledge of all assets and be able to plan and deliver an improved cost efficient service accordingly. Potential for gain share on any additional contract savings
- A.58 There would be an annual saving of £1,298k. Due to the length of time to procure the five year savings would be lower at £5,192k, but could over the lifecycle of the contract term be considerably greater.

Recommendation

- A.59 Many public organisations wish to set up and maintain their own building service contract, often as framework for other organisations to buy into as a business proposition. This always remains a possibility and should be explored through a market testing exercise.
- A.60 Members and Senior Executives have indicated that a standalone Walsall contract would be a favourable option. However due to the size and complexity of the procurement of such a contract this would take 2 to 3 years to deliver. This option can only be considered as the next generation of building service delivery and one of the alternate options ii, iii or iv should form the basis of any recommendation to Cabinet.

Summary of Options

- A.61 There is a wide recognition with officers that the current fragmentation of procurement for building services related contracts does not offer best value and does need to be changed so there is no recommendation to continue existing practices.
- A.62 There is an economy of scale achieved by procuring service specific contracts as in Option ii, and increases with a single provider in Option iii and again through the Single Partnering Agreement where a number of Councils procure together as in Option iv.
- A.63 the immediate availability and adjacent of the Single Partnering Agreement make Option iv the most attractive option, with the opportunity to market test a Walsall standalone contract.
- A.64 **The recommendation from this Options appraisal is that the Council should commence negotiations with Solihull to buy into their Single Partnering Agreement for their minimum term of three years, with options to extend, and carry out a parallel market testing exercise to evaluate the potential and impact of a Walsall stand alone contract.**

Property Service Contract Procurement Option Appraisal

Appendix 1 a

	Option i	Option ii	Option iii	Option iv	Option v
Title	Current Procurement Model	Single service multiple provider contracts	single provider call off contract	Join Established Single Partnering Agreement	Procure Walsall Specific call of contract/s
Detail	procure ad hoc contracts under EU thresholds from established supply chain of local builders and engineers. Larger projects procured through mini tenders from construction line or know selected contractors. Major projects procured through Scope or similar frameworks for one off projects	prepare specification and procure single service contracts i.e., Minor, intermediate, major building works, mechanical and electrical engineering contracts from established frameworks, such as SCAPE or WMC partnering	Procure single service provider from national frameworks such as Interserve, Carillion, MITIE, Amey etc...	Join established partnership such as Solihull's Single Partnering Agreements and use their established supply chain	prepare specification to publish intention to procure notice. Develop full tender and contact document, advertise in the OJEU and follow full process.
Anticipated contract values	150+ suppliers with over 8,000 orders of varying sizes procured at short notice ranging from £30 to over £75,000 Total value circa £30m over 5 years	Mini tenders from established frameworks to procure: Minor Works: £5m. Intermediate Works: £8m. Major Works: £5m. Mechanical & Engineering: £2.5m Electrical Contract: £1.5m Roofing Contract: £2m. Windows Contract: £1m. Alarms: £200k Demolition Contract: £750k Asbestos removal: £2m Total Value £28m over 5 years	single contract procured from framework to cover all building, mechanical and electrical engineering, minor and intermediate construction works with total contract value of circa £28m	Direct access to established framework, without the need for mini tendering to procure circa £28m works and services contracts.	Anticipated value of £25-28m depending on procurement costs.
Timeframe	This is currently procured and delivered at short notice often without sufficient forward planning. But can still meet immediate requirements	A series of mini tenders will be prepared and circulated to nominated supply chain within each framework	A tendering completion may be required subject to the value of anticipated workload and number of organisations available to meet specification within approved frameworks	as the OJEU process has already been undertaken the procurement can be immediate.	a full OJEU process of this scale would take 18 months to procure
Timeframe in months	Immediate	3 months	3-6 months	immediate	18 months
Anticipated start date	immediate	From 1st November 2014	1st January 2015	1st January 2015	1st April 2016
impact on property personnel	none	reduction in procurement will reduce workload for project managers, building surveyors and engineers. This will release their time to manage projects, contracts and carry out technical audits to check compliance, performance and value for money	reduction in procurement will reduce workload for project managers, building surveyors and engineers. This will release their time to manage projects, contracts and carry out technical audits to check compliance, performance and value for money	reduction in procurement will reduce workload for project managers, building surveyors and engineers. This will release their time to manage projects, contracts and carry out technical audits to check compliance, performance and value for money	reduction in procurement will reduce workload for project managers, building surveyors and engineers. This will release their time to manage projects, contracts and carry out technical audits to check compliance, performance and value for money
Timescale for impact on personnel	none	once contracts are mobilised, March/April 2015	once contracts are mobilised June 2015	Once framework is mobilised April 2015	Once Contract is mobilised, July 2016
Impact on service	None	Improved response times, better planning of workload. Project managers and engineers more focused on service delivery	Improved response times, better planning of workload. Project managers and engineers more focused on service delivery	Improved response times, better planning of workload. Project managers and engineers more focused on service delivery	Improved response times, better planning of workload. Project managers and engineers more focused on service delivery
Risk	intense use of project management and build services resource to procure contracts and work orders. Potential to disaggregate contracts to keep under OJEU thresholds, Financial and Contract Regulations. Poor visibility of best value.	Restricted by approved contractors on framework, less opportunity to influence localism within service level agreements. Asset database will need to be updated for transfer	Restricted by approved contractors on framework, less opportunity to influence localism within service level agreements. Asset database will need to be updated for transfer	Critical to maximise localism opportunities within SLA. Asset database will need to be updated for transfer	long lead in and procurement time reduces risk as these can be adequately transferred to preferred partner. Still reliant on option i,ii or iii for next 18 months. Significant cost of procurement through to March 2016
Financial Impact	None	savings to contract values due to improved purchasing power, more planning and less reactionary spend	a single provider will develop a knowledge of assets and be able to plan and deliver an improved cost efficient service accordingly	a single provider will develop a knowledge of assets and be able to plan and deliver an improved cost efficient service accordingly. Potential for gain share on any additional contract savings	a single provider will develop a knowledge of assets and be able to plan and deliver an improved cost efficient service accordingly. Potential for gain share on any additional contract savings
Anticipated annual savings	None	£878k	£989k	£1,098k	£1,298k
Anticipated savings through to 2020	None	£4,390	£4,945	£5,490	£5,192