

## **Cabinet –5 February 2014**

### **Award of the provision of Statutory, Compliance, Repair and Maintenance Contracts.**

**Portfolio:** Councillor A Andrew - Regeneration and Transport

**Related portfolios:**

**Service:** Property Services

**Wards:** All

**Key decision:** Yes

**Forward plan:** Yes

#### **1. Summary**

- 1.1 The Council's current Statutory, Compliance, Repair and Maintenance contracts for mechanical, electrical, fire alarm, portable appliance and fixed wire testing, water hygiene, lifts and air conditioning services expire on the 31<sup>st</sup> March 2014, without any further options to extend. The exception is lifts and air conditioning which expire in June 2014.
- 1.2 This report seeks approval for new contracts to be awarded for the above services to ensure continued maintenance and compliance with statutory obligations. The process for the procurement via e-auctions and the use of the Council electronic tendering and will enable the contracts to be in place quickly to ensure optimum value.
- 1.3 Previously property services established contracts for the provision of these services for the buildings managed by them. In respect of undertaking the Corporate Landlord Role as part of the Asset Management Strategy, all property related spend and activities should be centralised under property services, the future contracts are designed to encompass all council requirements excluding schools managed budgets.

#### **2. Recommendations**

Cabinet are recommended to approve the following:-

- 2.1 Grant delegated authority to the Executive Director for Regeneration, in conjunction with the Portfolio Holder for Property Services to accept tenders from bidders for the above contracts and to award contracts of values in excess of

£2.3 million to successful suppliers selected upon completion of the procurement process.

### **3. Report detail**

- 3.1 Property services have been working with corporate procurement and have subsequently developed an updated procurement and contracting strategy in order to provide value for money services which meet customers' needs.
- 3.2 The contracts that are being tendered are required to ensure the Council meets its statutory requirements for inspection and testing for amongst others fire, electrical, legionella and mechanical engineering.
- 3.3 As part of the review of the existing contracts currently managed by Property Services benchmarking has been carried out to compare prices against existing rates and what would be available through framework contracts. For the majority of these contracts, the benchmarking on the frameworks available has proved that our existing contracts are currently providing value for money. However for portable appliance and fixed wire testing and water hygiene testing Eastern Shires Purchasing Organisation (ESPO) has frameworks available that are cost effective to the Council.
- 3.4 It is proposed that for portable appliance and fixed wire testing and water hygiene testing a further competition exercise is run in accordance with the conditions of the ESPO framework and that the remainder of the contracts are tendered to ensure that the council obtains value for money for specific maintenance, testing and repair works.
- 3.5 The appropriate procurement processes for these contracts will be conducted via the new procurement approach and will include OJEU tenders, framework further competitions, e-auctions and the use of the council electronic tendering portal intend.

### **4. Council priorities**

- 4.1 The continued work of Property Services will enable maintenance and statutory maintenance work to be delivered to meet customer's needs and put the customer at the centre of our service delivery as outlined in the corporate plan, complying with European competition requirements, and potentially increasing the amount of work offered to local companies.

### **5. Risk management**

- 5.1 The actions set out within this report are in accordance with the Council's current contract rules.
- 5.2 Procurement Services will provide support to the project to ensure that new contracts are in place by 1<sup>st</sup> April 2014.

- 5.3 It should be noted, if we do not have arrangements in place the Council would not meet its statutory obligations and some disruption to the delivery of council services could occur.

## **6. Financial implications**

- 6.1 The proposed procurement and contracting strategy provides for all work types within existing budgets and seeks to deliver value for money for these services.

## **7. Legal implications**

- 7.1 Procurement Services and Legal Services will be consulted on a regular basis to ensure compliance with the Public Contract Regulations 2006 (as amended) and Walsall's Contract Rules 2010.

- 7.2 The Council's Legal Services shall verify all relevant documentation regarding contracts.

## **8. Property Implications**

- 8.1 The strategy provides improved robust property procurement for the employment of contractors and consultants carrying out works and services on Council buildings.

## **9. Health and wellbeing implications**

- 9.1 This proposal has no direct impact on health and well being, however the co-ordinated and planned provision of compliant statutory maintenance contracts to enable the delivery of appropriate services in locations that meet identified needs is crucial to all of our building users both staff and citizens alike.

## **10. Staffing implications**

- 10.1 The proposals do not require staff additions, but do provide staff with various options with the potential of increasing efficiencies.

## **11. Equality implications**

- 11.1 As part of the procurement evaluation procedures, evaluation of equality policies will be included, in line with the West Midland Forum for Equality in Council Contracts.

## **12. Consultation**

- 12.1 In consultation with Legal Services, Corporate Procurement and Finance.

## Background papers

Cabinet Report - Property Procurement and Contracting Strategy 16 July 2008

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